



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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January 29, 2010

Ray Hoffman, Director
Seattle Public Utilities
P.O. Box 34018
Seattle, WA 98124-4018

**Re: Washington State Revolving Fund
Ecology Agreement No. L10000027
Recovery Fund -- Green Project Reserve**

Dear Mr. Hoffman:

I am pleased to inform you that the loan agreement for the Ballard Green Streets Project has been signed. A signed original of the agreement is enclosed for your project files and future reference.

The loan provides \$1,394,678 toward the project. Based on Green Project Reserves financial incentives established in the Final Intended Use Plan, Seattle Public Utilities qualifies for one half of its loan, \$697,309, as forgivable principal. The remaining loan amount of \$697,309 is at an interest rate of 2.9 percent for a term of 10 years. We appreciate this opportunity to assist you with financial and technical assistance. Ecology's Water Quality Program staff in Bellevue and Lacey are available to assist you with your project.

If you have any questions or need additional information, please call Joan Nolan, Ecology's Project Manager, at 425 649-4425 or Bill Hashim, Ecology's financial manager, at 360 407-6549.

Sincerely,

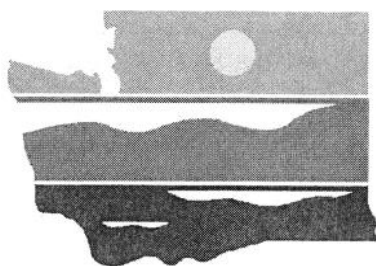
Kelly Sussewind, P.E., P.G.
Water Quality Program Manager

KS:

Enclosure

cc: Shanti Colwell, SPU
Joan Nolan, Ecology/ WQP, NWRO
Bill Hashim, Ecology/WQP-FMS





DEPARTMENT OF ECOLOGY

State of Washington

**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (RECOVERY ACT)
WASHINGTON STATE WATER POLLUTION CONTROL REVOLVING FUND
LOAN AGREEMENT
BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
SEATTLE PUBLIC UTILITIES**

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**AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (RECOVERY ACT)
WASHINGTON STATE WATER POLLUTION CONTROL REVOLVING FUND
LOAN AGREEMENT
BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
SEATTLE PUBLIC UTILITIES
FOR
BALLARD GREEN STREETS**

THIS is a binding loan agreement entered into by and between the state of Washington Department of Ecology [DEPARTMENT] and SEATTLE PUBLIC UTILITIES [RECIPIENT]. The purpose of this loan agreement [AGREEMENT] is to provide funds to the RECIPIENT to carry out the activities for the project [PROJECT] described in this agreement.

This AGREEMENT consists of 13 pages and 8 attachments.

Capitalized terms used, but not otherwise defined, in this AGREEMENT are defined in ATTACHMENT 5.

PART I. GENERAL INFORMATION

PROJECT Title:	Ballard Green Streets	
PROJECT Period:	Effective Date: January 1, 2009	Completion Date: December 31, 2013
LOAN Number:	L1000027	
Recovery Fund LOAN Amount:	\$697,309	
Interest Rate:	2.9	
LOAN Term:	10	
Recovery Fund Forgivable Principal Amount:	\$697,309	
Total Recovery Fund Amount:	\$1,394,618	
State Fiscal Year:	2010	

RECIPIENT Information

RECIPIENT Name:	Seattle Public Utilities
Mailing Address:	PO Box 34018
	Seattle, WA 98124-4018
FEDERAL TAXPAYER ID NUMBER:	91-6001275
PROJECT Contact:	Shanti Colwell

PROJECT Manager:
Mailing Address:

Email Address:
Phone Number:
Fax Number:

Karen York
PO Box 34018
Seattle, WA 98124-4018
shanti.colwell@seattle.gov
(206) 386-1501
(206) 386-9147

Ecology Project Contact Information

PROJECT Manager:
Email Address:
Phone Number:
Fax Number:
Address

Joan Nolan
jnol461@ecy.wa.gov
(425) 649-4425
(425) 649-7098
Northwest Regional Office
WA State Department of Ecology
Northwest Regional Office
3190 160th Ave SE
Bellevue, WA 98008-5452

Financial Manager:
Email Address:
Phone Number:
Fax Number:
Address

Bill Hashim
bhas461@ecy.wa.gov
(360) 407-6549
(360) 407-7151
WA State Department of Ecology
Water Quality Program, FMS
P.O. Box 47600
Olympia, WA 98504-7600

FUNDING SOURCE(S) FOR THIS AGREEMENT:

Federal Portion of Revolving Fund:

☒ Yes (Catalog of Federal Domestic Assistance Number 66.458) ☐ No

American Recovery and Reinvestment Act of 2009 (Recovery Act*)
Total Amount: \$1,394,618

(Federal funding for this AGREEMENT is provided for from Capitalization Grants and state match for Clean Water State Revolving Funds; Environmental Protection Agency, Office of Water)

Recovery Act Funding* Sources:

Loan for Green Project Reserves
Amount: \$697,309

☒ Yes ☐ No

Forgivable Principal Subsidy for Green Project Reserves
Amount: \$697,309

☒ Yes ☐ No

Loan for Hardship

☐ Yes ☒ No

Amount: \$

Forgivable Principal Subsidy
Amount: \$

☐ Yes ☒ No

Loan for Non-Hardship
Amount \$

☐ Yes ☒ No

(*See Attachment 4: General Project Management Requirements for additional general terms and conditions specific to Recovery Act requirements.)

GENERAL LOAN INFORMATION:

Increased Oversight: ☒ Yes ☐ No

Useful life of the PROJECT: 20 years plus

PROJECT TYPE: *Check all that apply*

Facilities Project: ☒ Yes ☐ No

Activities Project: ☒ Yes ☐ No

Green Project Reserves: ☒ Yes ☐ No

LOAN SECURITY: *Check all that apply*

Does this AGREEMENT and the LOAN to be made constitute Revenue Secured Lien Obligation of the RECIPIENT: ☐ Yes ☒ No

Does this AGREEMENT and the LOAN to be made constitute a general obligation debt of the RECIPIENT or the state of Washington: ☒ Yes ☐ No

Does this AGREEMENT and the LOAN to be made constitute a valid general obligation of the RECIPIENT payable from special assessments: ☐ Yes ☒ No

Is this LOAN secured with dedicated revenue through a Tribal Governmental Enterprise:
☐ Yes ☒ No

IMPORTANT DATES:

Estimated Project Start Date: 01/01/09

Initiation of Operation (IO): ☒ Yes ☐ No Date: December 31, 2010

Project Completion Date: December 31, 2013

Prior Authorization: ☐ Yes ☒ No If yes, Effective Date:

Interim Refinance: ☒ Yes ☐ No If yes, Effective Date: 01/01/09

Post Project Assessment Date (see Part IV and ATTACHMENT 4): July 31, 2016

AGREEMENT Effective Date:

The effective date of this AGREEMENT is the date this AGREEMENT is signed by the DEPARTMENT's Water Quality Program Manager. Any work performed prior to the effective date of this AGREEMENT, without written Prior Authorization or Interim Refinance approval from the DEPARTMENT, will be at the sole expense and risk of the RECIPIENT.

PART II. PROJECT SUMMARY

The Ballard Green Street Project will install ten (10) blocks of bioretention cells in the North Ballard neighborhood of Seattle. The cells will detain and infiltrate stormwater. This will reduce the discharge of stormwater to the combined sewer overflow (CSO) system and free up capacity in that system. In turn, this will reduce both the volume of stormwater runoff and number of CSO events.

This green streets project will control runoff from 2.6 acres of impervious drainage area, controlling 50,000 gallons, or approximately 14 percent, of the CSO volume. This will reduce pollutants reaching the Lake Washington Ship Canal, which serves as a key migration corridor for threatened Chinook salmon and steelhead, Coho salmon, and regionally significant Sockeye salmon.

PART III. PROJECT BUDGET

Elements (Objects & Tasks)	Total PROJECT Cost	Total Eligible PROJECT Cost	LOAN AMOUNT	FORGIVABLE PRINCIPAL
1. Administration/Management	\$90,000	\$65,714	\$32,857	\$32,857
2. Design Green Streets	\$470,000	\$330,043	\$165,022	\$165,022
3. Construction Management	\$270,000	\$199,302	\$99,651	\$99,651
4. Construction	\$562,511	\$562,511	\$281,255.50	\$281,255.50
5. 5% Change Order Allowance	\$28,125	\$28,125	\$14,062.50	\$14,062.50
6. Modeling and Monitoring	\$222,040	\$161,458	\$80,729	\$80,729
7. Community Outreach	\$53,010	\$47,465	\$23,732	\$23,732
Total	\$1,695,686	\$1,394,618	\$697,309	\$697,309

*The DEPARTMENT's Fiscal Office will track to the total eligible Revolving Fund LOAN amount. The RECIPIENT cannot deviate amongst elements without DEPARTMENT approval.

Other Funding Sources: ☒ Yes (if Yes, list sources and amounts) ☐ No

PART IV. GOALS, OUTCOMES, AND POST PROJECT ASSESSMENT

(see Important Dates in Part I and Post Project Assessment in Attachment 4)

- A. Financial Assistance Water Quality Project Goals: One or more of the selected following goals apply to this project:
- ☐ Severe Public Health Hazard or Public Health Emergency eliminated.
 - ☒ Designated beneficial uses will be restored or protected, 303(d)-Listed water bodies restored to water quality standards, and healthy waters prevented from being degraded.
 - ☐ Regulatory compliance with a consent decree, compliance orders, TMDL or waste load allocation achieved.
- B. Water Quality Project Outcomes: The following are quantitative results anticipated from the project.
1. 100% reduction in the organics load for the 50,000 gallons controlled
 2. 100% reduction in the metals load for the 50,000 gallons controlled
 3. 100% reduction in the fecal coliform load for the 50,000 gallons controlled
- C. Environmental Mitigation: ☐ Yes ☒ No If Yes, list the environmental mitigation measures:

PART V. SCOPE OF WORK

Task 1 - Project Administration/Management (Total Eligible Task Cost: \$65,714)

The RECIPIENT will:

- A. Administer the project. Responsibilities will include, but not be limited to: maintenance of project records; submittal of payment vouchers, fiscal forms, and progress reports; compliance with applicable procurement, contracting, and interlocal agreement requirements; attainment of all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items.
- B. Track Recovery Funds separately from Base Revolving Funds. The RECIPIENT also agrees to track Recovery Fund LOAN separately from Forgivable Principal.
- C. Provide the DEPARTMENT with monthly progress reports on an electronic progress report form provided by the DEPARTMENT. The report form will be due on the 5th of each month and will include, but may not be limited to the information provided in the example form in ATTACHMENT 7.
- D. Manage the project. Efforts will include: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT's designees; the DEPARTMENT; all affected local, state,

or federal jurisdictions; and any interested individuals or groups. The RECIPIENT will carry out this project in accordance with any completion dates outlined in this agreement.

Required Performance:

1. Effective administration and management of this loan project.
2. Timely submittal of all required performance items, progress reports, and financial vouchers.
3. Final Project Report which summarizes project development, cost effectiveness analysis, lessons learned, community feedback, design guidelines, construction experience will be submitted to the DEPARTMENT by December 1, 2013.

Task 2 –Design Green Streets (Total Eligible Task Cost: \$330,043)

The RECIPIENT will:

- A. Produce designs for bioretention cells along ten (10) city blocks in the public right of way, in North Ballard, Seattle to improve retention and detention of stormwater runoff, reducing the volume of water delivered to the CSO system, and reducing the number of CSO overflow events in the Ship Canal. The bioretention cells will be designed to act as a flow control best management practice to control flow volume, frequency, and rate from the small drainage areas that drain directly to them.
- B. Complete all project design and permitting requirements. **Permitting fees are not eligible for reimbursement.**
- C. Produce an engineering report that describes the project goals and design issues, criteria, and assumptions, and refined cost estimates. Provide project plans and specifications, which include bioretention locations and standard details.
- D. Hold meetings with the community to address any final project concerns and coordinate with Seattle Department of Transportation on right-of-way needs. The RECIPIENT will encourage residents to participate by providing educational materials for other distributed stormwater controls residents can use on their property such as roof downspout disconnection to cisterns, permeable pavements, raingardens and areas of adjacent amended soils.

Required Performance:

1. 100 percent Project Plans and Specification submitted to the DEPARTMENT by November 16, 2009.
2. Final Engineering Report submitted to the DEPARTMENT by November 16, 2009.
3. Copy of bid package will be submitted to the DEPARTMENT by December 31, 2009. Construction contract will be executed by February 16, 2010.
4. Hold two (2) meetings with the community and conduct environmental review.

Task 3 – Construction Management (Total Eligible Task Costs: \$199,302)

The RECIPIENT will:

- A. Oversee the construction of the bioretention cells to ensure that they are built per plan.

- B. Hold a community meeting prior to construction to inform the community about the construction schedule and impacts and address any community concerns or issues. Questions or concerns that come up during construction will be addressed through mailings and phone calls or emails to individuals.

Required Performance:

- 1. Effective and efficient management of all phases of construction and operation and maintenance.

Task 4 - Construction (Total Eligible Task Costs: \$590,636)

The RECIPIENT will:

- A. Construct the bioretention cells designed in Task 2. Construction includes pavement removal, excavation of native soils, constructing new curbs, creating curb cuts in existing curbs, adding bioretention soil, and planting the facility with a native, low maintenance plant palette.
- B. Require the Contractor to maintain the plantings for the first three years of the plant establishment period and guarantee at least 80 percent plant survivability during that period. Plant maintenance involves the weeding, watering and any required replanting of the bioretention cells to ensure the plants survive and start to become well established. The plant establishment phase is critical to the long-term success of these projects as a community amenity and lower long-term Operation and Maintenance costs.

Required Performance:

- 1. Construction contract signed by February 16, 2010.
- 2. Roadside Raingardens will be constructed to design specifications and all permit conditions met by December 31, 2010.

Task 5 – Modeling and Monitoring (Total Eligible Task Costs:\$161,458)

The RECIPIENT will:

- A. Develop a Quality Assurance Project Plan (QAPP) to document the flow monitoring methods.
- B. Conduct two different types of flow monitoring to determine the efficacy of bioretention to reduce CSO flows and overflows. Monitoring data will be used to refine the estimated CSO volume controlled by bioretention cells. Monitoring will include controlled flow tests and in-pipe flow monitoring. The controlled flow tests will provide data on the effectiveness of a single bioretention facility and help in refining its design, where the in-pipe flow monitoring will provide data on how well the system of cells works to reduce the control volume. Both data sets will be used to refine modeling assumptions for use in planning for the continued implementation of bioretention as a CSO reduction strategy.
- C. Determine the energy demand reduction associated with reducing the volume sent to the West Point Treatment Plant (West Point).
- D. Post-construction evaluation will report on the following:

1. The average annual stormwater flow volume removed from the combined sanitary system will be modeled using a continuous rainfall simulation modeling program.
2. Post-construction flow testing to quantify the benefits of bioretention cells for reducing the flow volumes and peak rates contributing to CSOs. Several controlled flow tests will be conducted during the dry summer months when the system has a more steady flow rate. Controlled flow tests will use a fire hydrant, hose and a portable water meter, such that a storm event may be simulated with regards to flow rates and volumes and reliable compiled performance data provided.
3. Pre- and post-construction flows in the combined pipe system will be monitored for one wet season before project construction and two wet seasons after construction to see if the impact from the project on volumes can be detected. Only the post-project monitoring will be included under this AGREEMENT with the DEPARTMENT. The pre-project monitoring is being conducted under an existing monitoring program for the CSO program.
4. Energy savings achieved by removing stormwater from the sanitary system, reducing the energy demand created by pumping the water to West Point Wastewater Treatment Plant and treatment of the stormwater at that facility.

Required Performance:

1. QAPP submittal for at least two wet season of flow monitoring to the DEPARTMENT by June 30, 2010.
2. Post-construction flow monitoring complete by December 31, 2012.
3. A report containing data, results, and analysis from flow monitoring will be submitted to the DEPARTMENT by April 30, 2013. This report will include information on the efficacy of green infrastructure for CSO control and energy demand reduction.

Task 6: Community Outreach (Total Eligible Task Costs: \$47,465)

The Recipient will:

- A. Share data from this project with elected officials, RECIPIENT managers and staff, and city of Seattle (City) citizens. In doing so, lessons learned will be incorporated into decision-making by City planners and the City Council, as they will provide rationale for installing similar natural drainage projects around the City.
- B. Incorporate findings into the CSO Long Term Control Plan Update's alternative analysis.
- C. Use the results of this project to promote roadside raingardens in the rest of the Ballard NPDES Basin and in the North Lake Union NPDES Basin as a cost effective strategy for reducing the CSO volumes and improving water quality.
- D. Outreach and educate citizens to encourage their participation in Phase 2 of this project by providing information through two meetings, one informational pamphlet, and at least one billboard about distributed or decentralized stormwater controls, such as disconnected downspouts, residential and roadside raingardens, and cisterns.
- E. Present findings at a minimum of two conferences and provide results to Puget Sound Partnership and Washington State University staff to inform updates to the Puget Sound LID Manual update.

Required Performance

RECIPIENT WILL:

1. Submitted to agency planners/council (as described above in Task 6.A) by June 30, 2013
2. Promote and encourage community participation in the roadside raingarden program. The information from this project will be shared with community groups through two meetings, one informational pamphlet, and at least one billboard.
3. Present findings at two conferences.
4. Share project results with the Puget Sound Partnership and Washington State University staff to inform updates to the Puget Sound LID Manual.

PART V(a). SPECIAL TERMS AND CONDITIONS

- A. The RECIPIENT agrees to use the Recovery Fund Forgivable Principal LOAN and the Recovery Fund LOAN proportionately to each other in such a way that both will be depleted at approximately the same time.
- B. Equipment Purchase. The following equipment shall be eligible for purchase through this PROJECT: hydrant meter and related hoses and valves. The total cost of all equipment purchased under this project shall not exceed \$6,000. Changes in equipment type must have prior approval from the DEPARTMENT.
- C. Attachment 4: FACILITIES PROJECTS: PLANS AND SPECIFICATIONS FOR FACILITIES PROJECTS (IF APPLICABLE) will apply to this project with the exception of the Operations Plan/Plan of Operation which will not be required under this project.
- D. The repayment date of this LOAN is based on the estimated date for the Initiation of Operation, as required by the Clean Water Act. LOAN AGREEMENTS must be officially closed through a formal amendment before repayment of the LOAN can commence. The PROJECT scope contains important monitoring and education and outreach elements that will take place well after the Initiation of Operation date.

To comply with the Clean Water Act, the Department must effect a formal amendment to this AGREEMENT when the actual Initiation of Operation Date occurs. The amendment is needed to split this AGREEMENT into two new agreements, which will be referred to as agreements A & B. This will result in two separate repayment schedules.

Agreement A will include costs incurred for eligible work completed up to the time of the Initiation of Operation Date, which is estimated to be December 31, 2010. The repayment date for agreement A will commence one year after the actual Initiation of Operation Date.

Agreement B will include the remaining eligible costs under Tasks 5 & 6. The repayment date for Agreement B will begin one year after the project completion date (December 31, 2014).

The RECIPIENT must make satisfactory progress on meeting the PROJECT milestones that lead up to the Initiation of Operation Date of the facility before the DEPARTMENT will effect

the amendment to create agreement B. Repayment will begin on the LOAN on December 31, 2011, regardless if an amendment to create agreements A & B is executed.

PART VI. LOAN INTEREST RATE AND TERMS

Source and Availability; LOAN Amounts; LOAN Terms

This AGREEMENT will remain in effect until the date of final repayment of the LOAN, unless terminated earlier according to the provisions herein.

Subject to all of the terms, provisions, and conditions of this AGREEMENT, and subject to the availability of funds, the DEPARTMENT will loan to the RECIPIENT the sum of one million three hundred ninety four thousand six hundred eighteen (\$1,394,618) dollars. Of this amount six hundred ninety seven thousand three hundred and nine (\$697,309) dollars is Recovery Act Forgivable Principal and therefore is forgiven and will not be required to be repaid. The remaining six hundred ninety seven thousand three hundred and nine (\$697,309) dollars (Estimated LOAN Amount) is in the form of a Recovery Act Loan.

When the PROJECT Completion Date has occurred, the DEPARTMENT and the RECIPIENT will execute an amendment to this AGREEMENT which details the final LOAN amount (Final LOAN Amount), and the DEPARTMENT will prepare a final LOAN repayment schedule, in the form of ATTACHMENT 8. The Final LOAN Amount will be the combined total of actual disbursements made on the Recovery Act Loan and all accrued interest to the computation date.

PART VII. ALL AGREEMENTS CONTAINED HEREIN

The RECIPIENT will ensure this project is completed according to the details of this agreement. The RECIPIENT may elect to use its own forces or it may contract for professional services necessary to perform and complete project-related work as approved by the DEPARTMENT.

The following contain the entire understanding between the parties, and there are no other understandings or representations other than as set forth, or incorporated by reference, herein:

- This AGREEMENT
- ATTACHMENT 1: Opinion of RECIPIENT's Legal Counsel
- ATTACHMENT 2: Authorizing Ordinance or Resolution
- ATTACHMENT 3: Pre-award Compliance Review Report for All Applicants Requesting Federal Assistance
- ATTACHMENT 4: General Project Management Requirements
- ATTACHMENT 5: Agreement Definitions
- ATTACHMENT 6: Loan General Terms and Conditions (Pertaining to Grant and Loan Agreements) of the Department of Ecology
- ATTACHMENT 7: Water Quality Program - Financial Management Post Project Assessment Survey
- ATTACHMENT 8: Estimated Loan Repayment Schedule
- The effective edition, at the signing of this agreement, of the DEPARTMENT's "Administrative Requirements for Ecology Grants and Loans"

- The associated funding guidelines that correspond to the Fiscal Year in which the PROJECT is funded
- The applicable statutes and regulations
- As a subrecipient of federal funds, the RECIPIENT must comply with the follow federal regulations:
 - OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
 - OMB Circular A-133, Compliance Supplement
 - OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
 - OMB Circular A-102, Uniform Administrative Requirements
- The following is applicable for facilities projects:
 - Plans and Specifications Acceptance Letter (where applicable) and any amendments
 - Information found in the Governor's certification of this PROJECT


No changes, additions, or deletions to this AGREEMENT will be authorized without a formal written amendment, EXCEPT that in response to a request from the RECIPIENT, the DEPARTMENT may redistribute the loan budget. The DEPARTMENT or the RECIPIENT may change their respective staff contacts without the concurrence of either party.

By signing this agreement, the RECIPIENT acknowledges that opportunity to thoroughly review the terms of this agreement, the attachments, all incorporated or referenced documents, as well as all applicable statutes, rules, or guidelines mentioned in this agreement was given.

IN WITNESS WHEREOF, the DEPARTMENT and the RECIPIENT have executed this AGREEMENT as of the dates set forth below, to be effective as provided above.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

SEATTLE PUBLIC UTILITIES

 2/3/10
KELLY SUSEWIND, P.E., P.G. DATE
WATER QUALITY PROGRAM MANAGER

 1/28/10
RAY HOFFMAN DATE
DIRECTOR

APPROVED AS TO FORM ONLY
ASSISTANT ATTORNEY GENERAL
(June 23, 2009)

Attachment 1: Opinion of RECIPIENT's Legal Counsel

I am an attorney at law admitted to practice in the state of Washington and the duly appointed ^{Asst. City} Attorney of Seattle Public Utilities [the RECIPIENT], and I have examined any and all documents and records pertinent to the AGREEMENT.

Based on the foregoing, it is my opinion that:

- A. The RECIPIENT is a duly organized and legally existing municipal corporation or political subdivision under the laws of the state of Washington or a federally recognized Indian tribe;
- B. The RECIPIENT has the power and authority to execute and deliver and to perform its obligations under the AGREEMENT;
- C. The AGREEMENT has been duly authorized and executed by RECIPIENT's authorized representatives and, to my best knowledge and after reasonable investigation, all other necessary actions have been taken to make the AGREEMENT valid, binding, and enforceable against the RECIPIENT in accordance with its terms, except as such enforcement is affected by bankruptcy, insolvency, moratorium, or other laws affecting creditors' rights and principles of equity if equitable remedies are sought;
- D. To my best knowledge and after reasonable investigation, the AGREEMENT does not violate any other agreement, statute, court order, or law to which the RECIPIENT is a party or by which it or its properties are bound;
- E. There is currently no litigation seeking to enjoin the commencement or completion of the PROJECT or to enjoin the RECIPIENT from entering into the AGREEMENT or from accepting or repaying the LOAN. The RECIPIENT is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the AGREEMENT; and
- F. The AGREEMENT constitutes a valid obligation of the RECIPIENT payable from the Net Revenues of the Utility.

Capitalized terms used herein will have the meanings ascribed thereto in the AGREEMENT between the RECIPIENT and the DEPARTMENT.



RECIPIENT's Legal Counsel

1/15/10

Date

Attachment 2: Authorizing Ordinance or Resolution

ORDINANCE

123111

AN ORDINANCE relating to a loan from the Washington Department of Ecology allocated through the American Recovery and Reinvestment Act of 2009 for the purpose of making water quality improvements in the Ballard combined system basin; accepting the loan funds and authorizing the Seattle Public Utilities' Director or his designee to execute related agreements.

WHEREAS, the United States Congress has authorized \$4 billion for the Clean Water State Revolving Funds as part of the American Recovery and Reinvestment Act of 2009 ("ARRA"); and

WHEREAS, the City submitted an application to the Washington Department of Ecology; and

WHEREAS, based on the City's successful application, the Ecology has awarded \$1.547 million to the City of Seattle in the form of a low-interest loan (2.9 percent) with 50 percent loan forgiveness; and

WHEREAS, the ARRA grant funding constitutes one-time funding for water quality improvements; and

WHEREAS, the City is not obligated to continue or maintain ARRA grant funding levels once ARRA grant funds have lapsed; NOW, THEREFORE,


BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Seattle Public Utilities is authorized to accept ARRA funds from Washington Department of Ecology for the Clean Water State Revolving Fund in the amount of \$1.547 million for the purpose of water quality improvements in the Ballard combined system basin. The Director or his designee is authorized to execute and deliver and perform for and on behalf of the City of Seattle such agreements and certifications as may be necessary to accept the ARRA funds. The funds, when received, shall be deposited into the Drainage and Wastewater Fund (44010). The Director or his designee is further authorized to execute and deliver documents relating to the agreements if required by federal guidelines.

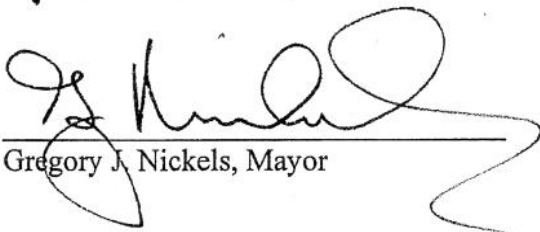


1 Section 2. This ordinance shall take effect and be in force thirty (30) days from and
2 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)
3 days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

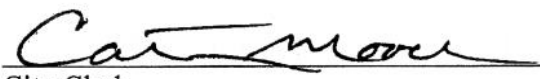
4 Passed by the City Council the 28th day of September, 2009, and
5 signed by me in open session in authentication of its passage this
6 28th day of September, 2009.

8
9
10 
President _____ of the City Council

11
12 Approved by me this 30th day of September, 2009.

13
14 
15 Gregory J. Nickels, Mayor

16
17 Filed by me this 1st day of October, 2009.


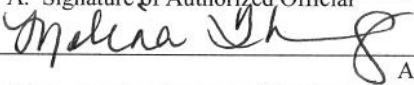
18
19 
20 City Clerk

21 (Seal)



ATTACHMENT 3: PREAWARD COMPLIANCE REVIEW REPORT FOR ALL APPLICANTS
REQUESTING FEDERAL ASSISTANCE

(Super crosscutter: required for all loans, except Centennial)

	<p align="center">Washington, DC 20460 Preaward Compliance Review Report for All Applicants Requesting Federal Financial Assistance</p>		<p>FORM Approved OMB No. 2030-0020 12-31-05</p>
	<p>Note: Read instructions before completing form</p>		
<p>I. A. Applicant (Name, City, State) City of Seattle</p>	<p>B. Recipient (Name, City, State) Seattle Public Utilities Seattle, WA</p>	<p>C. EPA Project No. 2W-96091001-0</p>	
<p>II. Brief description of proposed project, program or activity. Install 10 blocks of bioretention cells in the north Ballard neighborhood of Seattle, WA.</p>			
<p>III. Are any civil rights lawsuits or complaints pending against applicant and/or recipient? If yes, list those complaints and the disposition of each complaint.</p>			<p><input type="checkbox"/> Yes No <input checked="" type="checkbox"/> X</p>
<p>IV. Have any civil rights compliance reviews of the applicant and/or recipient been conducted by any Federal agency during the two years prior to this application for activities which would receive EPA assistance? If yes, list those compliance reviews and status of each review.</p>			<p><input type="checkbox"/> Yes No <input checked="" type="checkbox"/> X</p>
<p>V. Is any other Federal financial assistance being applied for or is any other Federal financial assistance being applied to any portion of this project, program or activity? If yes, list the other Federal Agency(s), describe the associated work and the dollar amount of assistance.</p>			<p><input type="checkbox"/> Yes No <input checked="" type="checkbox"/> X</p>
<p>VI. If entire community under the applicant's jurisdiction is not served under the existing facilities/services, or will not be served under the proposed plan, give reasons why.</p>			
<p>VII. Population Characteristics</p>		<p>Number of People</p>	
<p>1. A. Population of Entire Service Area</p>			
<p>B. Minority Population of Entire Service Area</p>		<p>580,000</p>	
<p>2. A. Population Currently Being Served</p>			
<p>B. Minority Population Currently Being Served</p>		<p>32%</p>	
<p>3. A. Population to be Served by Project, Program or Activity</p>		<p>NA</p>	
<p>B. Minority Population to be Served by Project, Program or Activity</p>		<p>NA</p>	
<p>4. A. Population to Remain Without Service</p>		<p>NA</p>	
<p>B. Minority Population to Remain Without Service</p>		<p>NA</p>	
<p>VII. Will all new facilities or alterations to existing facilities financed by these funds be designed and constructed to be readily accessible to and usable by handicapped persons? If no, explain how a regulatory exception (40 CFR 7.70) applies.</p>			<p><input type="checkbox"/> Yes No <input type="checkbox"/></p>
<p>IX. Give the schedule for future projects, programs or activities (or of future plans), by which services will be provided to all beneficiaries within applicant's jurisdiction. If there is no schedule, explain why. NA</p>			
<p>X. I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law.</p>			
<p>A. Signature of Authorized Official </p>		<p>B. Title of Authorized Official Deputy Director, Finance and Administration</p>	<p>C. Date 12/7/09</p>
<p align="center">A. For the U.S. Environmental Protection Agency</p>			
<p><input type="checkbox"/> Approved <input type="checkbox"/> Disapproved</p>		<p>Authorized EPA Official</p>	<p>Date</p>

EPA Form 4700-4 (Rev. 1/90) Previous editions are obsolete

B. General

Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the title shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment).

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities.

Section 504 of The Rehabilitation Act of 1973 provides that no otherwise qualified handicapped individual shall solely by reason of handicap be excluded from participation in, be denied the benefit of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of handicap is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person on the basis of sex shall be excluded from participation in, be denied the benefit of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution.

The information on this form is required to enable the U.S. Environmental Protection Agency to determine whether applicants and prospective recipients are developing projects, programs and activities on a nondiscriminatory basis as required by the above statutes.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission.

If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

In the event applicant is uncertain about how to answer certain questions, EPA program officials should be contacted for clarification.

C. Items

- IA. "Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance.
 - IB. "Recipient" means any entity, other than applicant, which will actually receive EPA assistance.
 - IC. Self-explanatory.
 - II. Self-explanatory.
 - III. "Civil rights lawsuits" means any lawsuit or complaint alleging discrimination on the basis of race, color, national origin, sex, age, or handicap pending against the applicant and/or entity, which actually benefits from the grant. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed.
 - IV. "Civil rights compliance review" means any review assessing the applicant and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or handicap. If any part of the review covered the entity, which will actually benefit from the grant, it should be listed.
 - V. Self-explanatory.
 - VI. The word "community" refers to the area under the applicant and/or recipient's jurisdiction. The "community" might be a university or laboratory campus, or a community within a large city. If there is significant disparity between minority and nonminority populations to receive service, not otherwise satisfactorily explained, the Regional office may require a map, which indicates the minority and nonminority population served by this project, program or activity.
 - VII. This information is required so that reviewers may determine if a disparity in the proposed provision of services will exist in the event the application is approved for funding. Give population of recipient's jurisdiction, broken out by categories as specified.
- In the event the applicant cannot provide the requested information because the funds will be distributed over a wide demographic area, which is yet to be determined, an explanation may be provided on a separate sheet. For example, a State applying for a capitalization grant under the State Revolving Fund program may not know which cities and counties will apply for, and receive, SRF loans.
- VIII. Self-explanatory.
 - IX. "Jurisdiction" means the geographical area over which applicant has the authority to provide service.
 - X. Self-explanatory.

D. "Burden Disclosure Statement"

EPA estimates public reporting burden for the preparation of this form to average 30 minutes per response. This estimate includes the time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding the burden estimate, including suggestions for reducing this burden, to Chief, Information Policy Branch, PM-223, U.S. Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

ATTACHMENT 4: GENERAL PROJECT MANAGEMENT REQUIREMENTS

FOR THE WASHINGTON STATE WATER POLLUTION CONTROL REVOLVING FUND
AND CENTENNIAL CLEAN WATER PROGRAM PROJECTS
(UNLESS MODIFIED BY A SPECIAL TERM AND CONDITION IN PART V.)

ACCOUNTING STANDARDS

The RECIPIENT will maintain accurate records and accounts for the PROJECT ("PROJECT Records") in accordance with Chapter 43.09.200 RCW "Local Government Accounting - Uniform System of Accounting."

These PROJECT Records will be separate and distinct from the RECIPIENT's other records and accounts (General Accounts). Eligible costs will be audited every other year, or annually if more than \$500,000 of federal funds are received in any given year, by an independent, certified accountant or state auditor, which may be part of the annual audit of the General Accounts of the RECIPIENT. If the annual audit includes an auditing of this PROJECT, a copy of such audit, including all written comments, recommendations, and findings, will be furnished to the DEPARTMENT within 30 days after receipt of the final audit report.

ACTIVITIES PROJECTS: TECHNICAL ASSISTANCE

Technical assistance for agriculture activities provided under the terms of this LOAN will be consistent with the current U.S. Natural Resource Conservation Service ("NRCS") Field Office Technical Guide for Washington State. However, technical assistance, proposed practices, or PROJECT designs that do not meet these standards may be accepted if approved in writing by the NRCS and the DEPARTMENT.

ACTIVITIES PROJECTS: BEST MANAGEMENT PRACTICES

Best Management Practices (BMPs) intended primarily for production, operation, or maintenance are not eligible. BMPs must be pre approved by the DEPARTMENT.

AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (RECOVERY ACT):

Terms and conditions specifically for projects that are partially or fully funded by the Recovery Fund.

The RECIPIENT acknowledges that if a PROJECT is partially or fully funded with Recovery Act funds the RECIPIENT will comply with all applicable provisions of the American Recovery and Reinvestment Act of 2009 as enacted or amended.

Important Dates - If deadlines are not met proposed Recovery Act funds will be reallocated.

Projects designated as Green Project Reserves must be bid-ready by September 17, 2009.

All projects that are not under contract for construction or under construction by November 17, 2009, will be re-evaluated and the DEPARTMENT reserves the right to terminate this AGREEMENT.

If, on February 16, 2010, there are any projects that have been offered Recovery Act funds that are not under contract for construction or under construction the Environmental Protection Agency will take the Recovery Act funds back from Washington State for redistribution and the State will not be eligible for future Recovery Act funds.

The following Recovery Act language has been developed by the Washington State Attorney General's Office to be included in all loan and forgivable principal agreements that are in full or in part funded with Recovery Act funding.

**ADDITIONAL PROVISIONS UNDER THE
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
Public Law 111-5**

1. Recovery Act Reporting Requirements; Section 1512(c) of the Recovery Act

[Contractor/Grantee] acknowledges and agrees that the American Recovery and Reinvestment Act of 2009, hereinafter "Recovery Act" places great emphasis on accountability and transparency in the use of taxpayer dollars. Among other things, it creates a new Recovery Accountability and Transparency Board and a new website -- Recovery.gov -- to provide information to the public, including access to detailed information on grants and contracts made with Recovery Act funds.

The Department of Ecology, as a recipient of Recovery Act funds, must comply with the Recovery Act's extensive reporting requirements, including quarterly financial and programmatic reporting due within 10 calendar days after the end of each calendar quarter. The Department of Ecology will require periodic reports from its sub-recipients in order to fulfill its reporting obligations.

[Contractor/Grantees] receiving Recovery Act funds may expect that a standard form(s) and/or reporting mechanism will be made available at a future date.

[Contractor/Grantee] agrees to provide to the Department of Ecology all reports, documentation, or other information, as may be required by the Department of Ecology to meet reporting obligations under the Recovery Act. [Contractors/Grantees] receipt of funds is contingent on [Contractor/Grantee] meeting the reporting requirements of Section 1512.

Additional instructions and guidance regarding the required reporting will be provided as they become available. For planning purposes, however, [Contractors/Grantees] receiving Recovery Act funds should be aware that Recovery Act section 1512(c) provides:

Recipient Reports- Not later than 10 days after the end of each calendar quarter, each recipient that received recovery funds from a Federal agency shall submit a report to that agency that contains—

- (1) The total amount of recovery funds received from that agency;
- (2) The amount of recovery funds received that were expended or obligated to projects or activities; and
- (3) A detailed list of all projects or activities for which recovery funds were expended or obligated, including:
 - (a) The name of the project or activity;
 - (b) A description of the project or activity;
 - (c) An evaluation of the completion status of the project or activity;
 - (d) An estimate of the number of jobs created and the number of jobs retained by the project or activity; and
 - (e) For infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under the Recovery Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
- (4) Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

2. Section 1512 of the Recovery Act: Registration with Central Contractor Registration (CCR)

Recipients of funds under the Recovery Act shall register with the Central Contractor Registration (CCR) database at www.ccr.gov. This ensures consistent reporting of data about each entity and thereby makes data more useful to the public. In order to register in CCR, a valid Data Universal Numbering System (DUNS) Number is required and should be included on the cover page or other designated place in this agreement.

3. Section 1604 of the Recovery Act: Limit on Funds

Section 1604 of the Recovery Act provides:

None of the funds appropriated or otherwise made available in the Recovery Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

4. Required Use of American Iron, Steel, and Manufactured Goods—Section 1605 of the American Recovery and Reinvestment Act of 2009

Note: For projects funded by the Department of Ecology Air Quality Program, the Buy American Terms and Conditions apply only to Truck Stop Electrification (TSE) projects and diesel emissions reductions projects for heavy generators (such as those used in public energy production) which are considered to be public works when a governmental entity is conducting the project.

[Contractor/Grantee] shall comply with Section 1605 of the Recovery Act unless (1) compliance has been waived by the Federal Agency providing the funds; or (2) compliance with the Recovery Act conflicts with an international trade agreement.

A. Section 1605 of the Recovery Act provides:

Use of American Iron, Steel, and Manufactured Goods.

(a) None of the funds appropriated or otherwise made available by the Recovery Act may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States.

(b) Subsection (a) shall not apply in any case or category of cases in which the head of the Federal department or agency involved finds that:

- (1) applying subsection (a) would be inconsistent with the public interest;
- (2) iron, steel, and the relevant manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
- (3) inclusion of iron, steel, and manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) If the head of a Federal department or agency determines that it is necessary to waive the application of subsection (a) based on a finding under subsection (b), the head of the department or agency shall publish in the Federal Register a detailed written justification as to why the provision is being waived.

(d) This section shall be applied in a manner consistent with United States obligations under international agreements.

B. Waivers.

[Contractor/Grantee] shall provide The Department of Ecology with information and applicable supporting data as may be required by The Department of Ecology, to support any request for waiver of compliance with Section 1605 (b) of the Recovery Act. The following applies to requests for waivers submitted to The Department of Ecology.

(a) Definitions.

"Manufactured good" means a good brought to the construction site for incorporation into the building or work that has been:

- (1) Processed into a specific form and shape; or
- (2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

"Public building" and "public work" means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) Domestic preference.

- (1) This award term and condition implements Section 1605 of the Recovery Act of 2009 by requiring that all iron, steel, and manufactured goods used in the project are produced in the United States except as provided in paragraph (b)(3) and (b)(4) of this term and condition.
- (2) This requirement does not apply to the material excepted by the Federal Government.
- (3) The award official may add other iron, steel, and/or manufactured goods to the list in paragraph (b) (2) of this term and condition if the Federal Government determines that:
 - (i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;
 - (ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
 - (iii) The application of the restriction of section 1605 of the Recovery Act would be inconsistent with the public interest.

(c) Request for determination of inapplicability of Section 1605 of the Recovery Act.

- (1)(i) Any request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b) (3) of this term and condition shall include adequate information for Federal Government evaluation of the request, including—
 - (A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
 - (B) Unit of measure;
 - (C) Quantity;
 - (D) Cost;
 - (E) Time of delivery or availability;
 - (F) Location of the project;
 - (G) Name and address of the proposed supplier; and
 - (H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.
- (ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this term and condition.
- (iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.
- (iv) Any request for a determination submitted after Recovery Act funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the [Contractor/Grantee] could not reasonably foresee the need for such determination and could

not have requested the determination before the funds were obligated.

- (2) If the Federal Government determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the Recovery Act applies, the Department of Ecology will amend the award to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended award shall reflect adjustment of the award amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the Department of Ecology shall adjust the award amount or redistribute budgeted funds in accordance with requirements adopted pursuant to the Recovery Act.
- (3) Unless the Federal Government determines that an exception to section 1605 of the Recovery Act applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.
- (d) Data. To permit evaluation of requests under paragraph (b) of this term and condition based on unreasonable cost, the following information and any applicable supporting data based on the survey of suppliers should be provided to The Department of Ecology:

FOREIGN AND DOMESTIC ITEMS COST COMPARISON			
Description	Unit of Measure	Quantity	Cost (Dollars)*
Item 1:			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good			
Item 2:			
Foreign steel, iron, or manufactured good			
Domestic steel, iron or manufactured good			

[List name, address, telephone number, email address, and contact for suppliers surveyed.]

[Attach copy of response; if oral, attach summary.]

[Include other applicable supporting information.]

[*Include all delivery costs to the construction site.]

5. Wage Rate Requirements under Section 1606 of the American Recovery and Reinvestment Act of 2009 – Davis-Bacon Act

All laborers and mechanics employed by [Contractor/Grantee] and [subcontractor/subgrantees] on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act, shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (Davis-Bacon Act). With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan numbered 14 of 1950 (64 Stat. 1267, 5 U.S.C. App.) and section 3145 of title 40 United States Code. See U.S. Department of Labor, Wage and Hour Division website at <http://www.dol.gov/esa/whd/contracts/dbra.htm>. Wage determinations can be found at <http://www.wdol.gov>.

The [Contractor/Grantee] shall include this provision and require this provision to be contained in all [subcontracts/subgrants] for work performed under this [Contract/Grant].

The work performed by this [Contract/Grant] may also be subject to the State's prevailing wage laws, Chapter 39.12 RCW. The [Contractor/Grantee] is advised to consult with the Washington State Department of Labor and Industries to determine the prevailing wages that must be paid.

6. Non-supplanting of State and Local Funds (if applicable -- consult the program solicitation and the special conditions in the award document)

[Contractors/Grantees] must use federal funds to supplement existing State and local funds for program activities and must not replace (supplant) State or local funds that they have appropriated or allocated for the same purpose. Potential supplanting will be the subject of monitoring and audit. Violations may result in a range of penalties, including suspension of current and future funds under this program, suspension or debarment from federal grants, recoupment of monies provided under a grant, and civil and/or criminal penalties. For additional guidance regarding supplanting, refer to the information provided at <http://www.ojp.usdoj.gov/recovery/supplantingguidance.htm>.

7. Protection of Whistleblowers

Prohibition on Reprisals: An employee of any non-Federal employer receiving covered funds under the Recovery Act may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or Federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or other person working for the employer who has the authority to investigate, discover or terminate misconduct,) a court or grant jury, the head of a Federal agency, or their representatives information that the employee believes is evidence of:

- Gross mismanagement of an agency contract or grant relating to covered funds;
- Gross waste of covered funds;
- Substantial and specific danger to public health or safety related to the implementation or use of covered funds;
- Abuse of authority related to the implementation or use of covered funds; or
- Violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to covered funds.

8. ARRA – Listing Recovery Act Jobs With The Employment Security Department

This [Contract/Grant] is funded with federal stimulus funds (under the American Recovery & Reinvestment Act), which has strict reporting requirements for funds spent and jobs created or retained (See Exhibit A, attached and incorporated into this Contract as additional instructions). All job openings created by the [Contractor /Grantee] for this project must be listed with the WorkSource system (an affiliate of the Employment Security Department) before hiring; all hiring decisions also must be reported to WorkSource. In addition, all [Sub-Contractors/Sub-Grantees] hired by the [Contractor/Grantee] also must be required to list jobs and report hiring results to WorkSource. Existing [Contractor/Grantee] or [Sub-Contractor/Sub-Grantee] employees who are retained using funds from this project also must be reported to WorkSource.

WorkSource will pre-screen and refer qualified job candidates for the [Contractor's/Grantee's] consideration. The [Contractor/Grantee] also has the discretion to use other, additional recruitment systems and retains the right to make all hiring decisions.

To begin the listing and reporting process, contact the ARRA Business Unit at 877-453-5906 (toll-free), 360-438-4849 or ARRA@esd.wa.gov.

9. Disadvantaged Business Enterprise:

As with all federally funded projects, Recovery Funded CONTRACTORS agree to comply with the requirements of the Environmental Protection Agency's Program for Utilization of Small, Minority, and Women's Business Enterprises (40CFR, Part 33) in procurement under this AGREEMENT.

Non-discrimination Provision. The RECIPIENT will comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the RECIPIENT's noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this AGREEMENT may be rescinded, canceled, or terminated in whole or in part, and the RECIPIENT may be declared ineligible for further funding from the DEPARTMENT. The RECIPIENT will, however, be given a reasonable time in which to cure this

noncompliance.

- 1) Ensuring Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources. *Qualified Women and Minority business enterprises may be found on the Internet at www.omwbe.wa.gov or by contacting the Washington State Office of Minority and Women's Enterprises at 360-704-1181.*
- 2) Making information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- 3) Considering in the contracting process whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by Disadvantaged Business Enterprises in the competitive process.
- 4) Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.
- 5) Using services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- 6) If the prime contractor awards subcontracts, requiring the subcontractors to take the six good faith efforts in paragraphs A through E above.

Pursuant to 40 CFR, Section 33.501(b) and (c), the Contractor also agrees to create and maintain a bidders list for both Disadvantaged Business Enterprises (DBE) and Non-Disadvantaged Business Enterprises (non-DBE). The purpose of a bidders list is to provide the recipient and entities receiving identified loans who conduct competitive bidding with as accurate a database as possible about the universe of DBE and non-DBE prime and subcontractors. The list must include all firms that bid or quote on prime contracts, or bid or quote subcontracts on Environmental Protection Agency assisted projects, including both DBE and non-DBE. The bidders list must only be kept until the grant project period has expired and the recipient is no longer receiving Environmental Protection Agency funding under the grant. For entities receiving identified loans, the bidders list must only be kept until the project period for the identified loan has ended. The following information must be obtained from all prime and subcontractors: entity's name with point of contact; entity's mailing address, telephone number, and e-mail address; the procurement on which the entity bid or quoted, and when; and entity's status as a DBE or non-DBE.

The Contractor agrees to provide Environmental Protection Agency Form 6100-2 DBE Subcontractor Participation and Environmental Protection Agency Form 6100-3 DBE Subcontractor Performance to all its Disadvantaged Business Enterprise subcontractors.

10. Project Signs:

The RECIPIENT agrees to display the American Recovery and Reinvestment Act of 2009 logo in a manner that informs the public that the project is an American Recovery and Reinvestment Act of 2009 investment. This logo may be obtained from the Environmental Protection Agency (EPA) grant office at: EPA Region 10, Mail Code: OMP-145, 1200 Sixth Avenue, Suite 900, Seattle, WA, 98101 or by contacting the DEPARTMENT's Project Manager or Financial Manager.

The EPA logo is displayed along with the American Recover and Reinvestment Act of 2009 logo

and logos of other participating entities. The American Recovery and Reinvestment Act of 2009 logo must not be displayed in a manner that implies that the EPA itself is conducting the project. Instead, the EPA logo must be accompanied with a statement indicating that the RECIPIENT received financial assistance from EPA for the project.

11. Office of Management and Budget (federal) Guidance:

This award is subject to all applicable provisions of implementing guidance for the American Recovery and Reinvestment Act of 2009 issued by the United States Office of Management and Budget, including the Initial Implementing Guidance for the American Recovery and Reinvestment Act (M-09-10) issued on February 18, 2009 and available on www.recovery.gov, and any subsequent guidance documents issued by OMB.

12. Government Accounting Office/Inspector General Access:

The [Contractor/Grantee] agrees to comply with the requirements as described in the Access of Government Accountability Office, Section 902, of the American Recovery and Reinvestment Act of 2009. This section gives the Comptroller General and his representatives authorization:

- 1) To examine any records of the [Contractor/Grantee] or any of its subcontractors, or any State or local agency administering such contract, that directly pertain to, and involve transactions relating to, the contract or subcontract; and
- 2) To interview any officer or employee of the [Contractor/Grantee] or any of its subcontractor, or of any State or local government agency administering the contract/grant, regarding such transactions.

AUTHORITY

Authority of RECIPIENT

This AGREEMENT is authorized by the Constitution and laws of the state of Washington, including the RECIPIENT's authority, and by the RECIPIENT pursuant to the ordinance or resolution attached as ATTACHMENT 2.

Opinion of RECIPIENT's Legal Counsel

The DEPARTMENT has received an opinion of legal counsel to the RECIPIENT in the form and substance of ATTACHMENT 1.

CERTIFICATIONS

The RECIPIENT certifies by signing this AGREEMENT that all negotiated interlocal agreements necessary for the PROJECT are, or will be, consistent with the terms of this AGREEMENT and Chapter 39.34 RCW, "Interlocal Cooperation Act." The RECIPIENT will submit a copy of each interlocal agreement necessary for the PROJECT to the DEPARTMENT.

The RECIPIENT certifies by signing this AGREEMENT that all applicable requirements have been satisfied in the procurement of professional services and that eligible and ineligible costs are separated and identifiable. The RECIPIENT will submit a copy of the final negotiated agreement to the DEPARTMENT for eligibility determination.

The RECIPIENT certifies by signing this AGREEMENT that the requirements of Chapter 39.80 RCW, "Contracts for Architectural and Engineering Services," have been, or will be, met in procuring qualified architectural/engineering services. The RECIPIENT will identify and separate eligible and ineligible costs in the final negotiated agreement and submit a copy of the agreement to the DEPARTMENT.

CERTIFICATION REGARDING SUSPENSION, DEBARMENT, AND OTHER

RESPONSIBILITY MATTERS (FOR FEDERALLY FUNDED PROJECTS)

Federal Executive Order 12549 provides that Executive departments and agencies will participate in a government-wide system for monitoring suspended, debarred, and excluded parties. These departments and agencies have further passed this requirement onto their recipients and have provided pertinent regulations in the Code of Federal Regulations. The RECIPIENT, by signing this agreement, certifies that it is not suspended, debarred, or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot. The Web site for checking suspended, debarred, or excluded parties is www.epls.gov.

COMMENCEMENT OF WORK

The DEPARTMENT will review the status of projects no later than November 17, 2009, to determine if the readiness-to-proceed milestones that are included in the funding application, funding agreement, or other related documents that were used by the DEPARTMENT in determining readiness to proceed are met. If the readiness-to-proceed milestones have not been met, the DEPARTMENT reserves the right to terminate this AGREEMENT.

COVENANTS AND AGREEMENTS

Acceptance

The RECIPIENT accepts and agrees to comply with all terms, provisions, conditions, and commitments of this AGREEMENT, including all incorporated and referenced documents, and to fulfill all assurances, declarations, representations, and commitments made by the RECIPIENT in its application, accompanying documents, and communications filed in support of its request for a LOAN.

Accounts and Records

The RECIPIENT will keep proper and separate accounts and records in which complete and separate entries will be made of all transactions relating to this AGREEMENT. The RECIPIENT will keep such records for six years after receipt of final loan disbursement.

Alteration and Eligibility of PROJECT

During the term of this AGREEMENT, the RECIPIENT (i) will not materially alter the design or structural character of the PROJECT without the prior written approval of the DEPARTMENT and (ii) will take no action which would adversely affect the eligibility of the PROJECT as defined by applicable funding program rules and state statutes, or which would cause a violation of any covenant, condition, or provision herein.

Collection of ULID Assessments *(if used to secure the repayment of this LOAN)*

All ULID Assessments in the ULID will be paid into the Loan Fund and used to pay the principal of and interest on the LOAN. The ULID Assessments in the ULID may be deposited into the Reserve Account to satisfy a Reserve Requirement if a Reserve Requirement is applicable.

Free Service

The RECIPIENT will not furnish Utility service to any customer free of charge if providing that free service will affect the RECIPIENT's ability to meet the obligations of this AGREEMENT.

Insurance

The RECIPIENT will at all times carry fire and extended coverage, public liability and property damage, and such other forms of insurance with responsible insurers and with policies payable to the RECIPIENT on such of the buildings, equipment, works, plants, facilities, and properties of the Utility as are ordinarily carried by municipal or privately-owned utilities engaged in the operation of like systems, and against such claims for damages as are ordinarily carried by municipal or privately-owned utilities engaged in the operation of like systems, or it will self-insure or will participate in an insurance pool or pools with reserves adequate, in the reasonable judgment of the RECIPIENT, to protect it against loss.

Levy and Collection of Taxes (if used to secure the repayment of this loan)

For so long as the LOAN is outstanding, the RECIPIENT irrevocably pledges to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of its electors on all of the taxable property within the boundaries of the RECIPIENT in an amount sufficient, together with other money legally available and to be used therefore, to pay when due the principal of and interest on the LOAN, and the full faith, credit and resources of the RECIPIENT are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

Maintenance and Operation of a Funded Utility

The RECIPIENT will at all times maintain and keep a funded Utility in good repair, working order and condition and also will at all times operate the Utility and the business in an efficient manner and at a reasonable cost.

Pledge of Net Revenue and ULID Assessments in the ULID *(if used to secure the repayment of this LOAN)*

For so long as the LOAN is outstanding, the RECIPIENT irrevocably pledges the Net Revenue of the Utility, including applicable ULID Assessments in the ULID, to pay, when due, the principal of and interest on the LOAN.

Reserve Requirement

For loans that are Revenue-Secured Debt with terms greater than five years, the RECIPIENT must accumulate a reserve for the LOAN equivalent to at least the Average Annual Debt Service on the LOAN during the first five years of the repayment period of the LOAN. This amount will be deposited in a Reserve Account in the LOAN Fund in approximately equal annual payments commencing within one year after the Initiation of Operation or the PROJECT Completion Date, whichever comes first.

“Reserve Account” means, for a LOAN that constitutes Revenue-Secured Debt, an account of that name created in the Loan Fund to secure the payment of the principal and interest on the LOAN. The amount on deposit in the Reserve Account may be applied by the RECIPIENT (i) to make, in part or in full, the final repayment to the DEPARTMENT of the LOAN Amount or, (ii) if not so applied, for any other lawful purpose of the RECIPIENT once the LOAN Amount, plus interest and any other amounts owing to the DEPARTMENT, have been paid in full.

Sale or Disposition of Utility

The RECIPIENT will not sell, transfer, or otherwise dispose of any of the works, plant, properties, facilities or other part of the Utility, or any real or personal property comprising a part of the Utility unless one of the following applies:

1. The facilities or property transferred are not material to the operation of the Utility; or have become unserviceable, inadequate, obsolete, or unfit to be used in the operation of the Utility; or are no longer necessary, material, or useful to the operation of the Utility.
2. The aggregate depreciated cost value of the facilities or property being transferred in any fiscal year comprises no more than three percent of the total assets of the Utility.
3. The RECIPIENT receives from the transferee an amount which will be in the same proportion to the net amount of Senior Lien Obligations and this LOAN then outstanding (defined as the total amount outstanding less the amount of cash and investments in the bond and loan funds securing such debt) as the Gross Revenue of the Utility from the portion of the Utility sold or disposed of for the preceding year bears to the total Gross Revenue for that period.

The proceeds of any transfer under this paragraph will be used (i) to redeem promptly, or irrevocably set aside for the redemption of, Senior Lien Obligations and to redeem promptly the LOAN, or (ii) to provide for part of the cost of additions to and betterments and extensions of the Utility.

DISADVANTAGED BUSINESS ENTERPRISE

General Compliance, 40 CFR, Part 33. The RECIPIENT agrees to comply with the requirements of the Environmental Protection Agency's Program for Utilization of Small, Minority, and Women's Business Enterprises (MBE/WBE) 40CFR, Part 33 in procurement under this AGREEMENT.

Non-discrimination Provision. The RECIPIENT will comply with all federal and state nondiscrimination laws, including, but not limited to Title VI and VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and Chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 et seq, the Americans with Disabilities Act (ADA).

In the event of the RECIPIENT's noncompliance or refusal to comply with any applicable nondiscrimination law, regulation, or policy, this AGREEMENT may be rescinded, canceled, or terminated in whole or in part, and the RECIPIENT may be declared ineligible for further funding from the DEPARTMENT. The RECIPIENT will, however, be given a reasonable time in which to cure this noncompliance.

Fair Share Objective/Goals, 40 CFR, Part 33, Subpart D. If the dollar amount of this AGREEMENT or the total dollar amount of all of the RECIPIENT's financial assistance agreements in the current federal fiscal year from the Revolving Fund is over \$250,000, the RECIPIENT accepts the applicable MBE/WBE fair share objectives/goals negotiated with EPA by the **Office of Minority Women Business Enterprises** as follows:

Construction	10.00% MBE	6.00% WBE
Supplies	8.00% MBE	4.00% WBE
Services	10.00% MBE	4.00% WBE
Equipment	8.00% MBE	8.00% WBE

By signing this AGREEMENT the RECIPIENT is accepting the fair share objectives/goals stated above and attests to the fact that it is purchasing the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as **Office of Minority Women Business Enterprises**.

Six Good Faith Efforts, 40 CFR, Part 33, Subpart C. The RECIPIENT agrees to make the following good faith efforts whenever procuring construction, equipment, services and supplies under this AGREEMENT. Records documenting compliance with the following six good faith efforts will be retained:

- 7) Ensuring Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources. *Qualified Women and Minority business enterprises may be found on the Internet at www.omwbe.wa.gov or by contacting the Washington State Office of Minority and Women's Enterprises at 360-704-1181.*
- 8) Making information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- 9) Considering in the contracting process whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by Disadvantaged Business Enterprises in the competitive process.
- 10) Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.
- 11) Using services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- 12) If the prime contractor awards subcontracts, requiring the subcontractors to take the six good faith efforts in paragraphs A through E above.

MBE/WBE Reporting, 40 CFR, Part 33, Sections 33.302, 33.502 and 33.503. The RECIPIENT agrees to provide forms: EPA Form 6100-2 DBE Subcontractor Participation Form and EPA Form 6100-3 DBE Subcontractor Performance Form to all its Disadvantaged Business Enterprise subcontractors. These two (2) forms may be obtained from the EPA Office of Small Business

Program's website on the internet at <http://www.epa.gov/osbp/grants.htm>.

The RECIPIENT agrees to complete and submit EPA Form 5700-52A, "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" to the DEPARTMENT semi annually beginning with the Federal fiscal year reporting period the RECIPIENT receives the funds and continuing until the PROJECT is completed. The semi-annual reporting period ends March 31st and September 30th and must be submitted within 15 days of the end of the reporting period. The RECIPIENT also agrees to submit the DEPARTMENT's MBE/WBE participation report - Form D with each payment request.

Contract Administration Provisions, 40 CFR, Section 33.302. The RECIPIENT agrees to comply with the contract administration provisions of 40 CFR, Section 33.302. The RECIPIENT also agrees to ensure that recipients of identified loans also comply with provisions of 40CFR, Section 33.302.

The RECIPIENT will include the following terms and conditions in contracts with all contractors, subcontractors, engineers, vendors, and any other entity for work or services pertaining to this AGREEMENT.

"The Contractor will not discriminate on the basis of race, color, national origin or sex in the performance of this Contract. The Contractor will carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under Environmental Protection Agency financial agreements. Failure by the Contractor to carry out these requirements is a material breach of this Contract which may result in termination of this Contract or other legally available remedies."

Bidder List, 40 CFR, Section 33.501(b) and (c). The RECIPIENT agrees to create and maintain a bidders list (see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions..

FACILITIES PROJECTS: PLANNING (IF APPLICABLE)

The RECIPIENT will develop a facilities plan. An approvable facilities plan will meet the requirements of Chapter 173-240 WAC, "Submission of Plans and Reports for Construction of Wastewater Facilities" and the facility planning requirements of "Title 40 Code of Federal Regulations."

FACILITIES PROJECTS: PLANS AND SPECIFICATIONS FOR FACILITIES PROJECTS (IF APPLICABLE)

Plans and Specifications. The RECIPIENT will develop plans and specifications that must be reviewed and approved by Water Quality Program staff of the DEPARTMENT and be consistent with:

1. Requirements stated in Chapter 173-240 WAC, "Submission of Plans and Reports for Construction of Wastewater Facilities," as related to plans and specifications.
2. Good engineering practices and generally recognized engineering standards, including, but not limited to, the STATE OF WASHINGTON'S CRITERIA FOR SEWAGE WORKS DESIGN (December 1998 or more recent edition).
3. The approved facilities plan.
4. Other reports approved by the DEPARTMENT which pertain to the facilities design.

DEPARTMENT Approval. The plans, specifications, construction contract documents, and

addenda must be approved by the RECIPIENT prior to submittal for DEPARTMENT review.

Projected Construction Schedule. An engineer's projected construction schedule will be prepared and submitted to the DEPARTMENT at 90 percent completion of plans and specifications.

Construction Cost Estimate. A current, updated construction cost estimate will be submitted along with each plan/specification submittal.

Form of Plans. All construction plans submitted to the DEPARTMENT for review and approval will be reduced to no larger than 11-1/2" x 17" legible size. They may, at the RECIPIENT's option, be bound with the specifications or related construction contract documents or bound as a separate document. All reduced drawings must be completely legible.

Operations Plan. The plans and specifications must also:

1. Include a Plan of Operation per the Water Quality Program Guidance document, PLANS OF INTERIM OPERATION DURING CONSTRUCTION (October 21, 1992).
2. Include the information required in the Water Quality Program Guidance document, OPERATION AND MAINTENANCE MANUAL FOR NONTREATMENT WASTEWATER FACILITIES (October 21, 1992).

Plan of Operation. A preliminary plan of operation will be prepared consistent with the DEPARTMENT's GUIDELINES and submitted to the DEPARTMENT for review and approval with the plans and specifications.

Approval by DEPARTMENT. The RECIPIENT will not proceed with any construction-related activities until all necessary plans and specifications are approved in writing by the DEPARTMENT.

Change Orders. Change orders that are a significant deviation from the approved plans/specifications must be submitted in writing for DEPARTMENT review and approval, prior to execution. All other change orders must be approved by the DEPARTMENT for technical merit and should be submitted within 30 days after execution. Change orders are to be signed by the contractor, the engineer (if appropriate), and the RECIPIENT prior to submittal for DEPARTMENT approval.

The DEPARTMENT may approve, through formal amendment to this AGREEMENT, funding for change orders for up to five percent of the eligible portion of the low responsive responsible construction bid(s).

Adjusted Construction Budget. The construction budget, as reflected in the LOAN, will be adjusted once actual construction bids are received. If the low responsive responsible construct bid(s) exceed the engineer's estimate of construction costs, the DEPARTMENT may approve, through formal amendment to this AGREEMENT, funding increases for up to ten percent of the engineer's original estimate.

Bids and Awards. DEPARTMENT approval of the plans, specifications, and construction documents authorizes the RECIPIENT to solicit bids and award the construction contract (or reject bids) without further DEPARTMENT authorization or approval. However, any additional costs resulting from successful bid protests or other claims due to improper bid solicitation and award procedures will not be considered eligible for LOAN participation.

FACILITIES PROJECTS: CONSTRUCTION MANAGEMENT

Plan of Operation. The plan of operation must be updated, as appropriate, before the start of

construction and at the 50 percent and 90 percent stage of construction, or more often if necessary. The final plan of operation must be approved by the DEPARTMENT in writing before the construction is completed and before final payment is made.

Construction Quality Assurance Plan. A detailed construction quality assurance plan will be submitted at least 30 days prior to the commencement of construction. This plan must describe the activities which will be undertaken to achieve adequate and competent performance of all construction work.

Construction Schedule. A construction schedule will be submitted to the DEPARTMENT within 30 days of the start of construction. The construction schedule will be revised and updated whenever major changes occur and resubmitted to the DEPARTMENT. In the absence of any major changes, the construction schedule should be resubmitted to the DEPARTMENT at a minimum of every three months. When changes in the construction schedule affect previous cash flow estimates, revised cash flow projections must also be submitted to the DEPARTMENT.

"As-Built" Drawings. Upon completion of construction, the RECIPIENT will provide the DEPARTMENT's Project Manager with a set of "as-built" plans (i.e., record construction drawings which reflect changes, modifications, or other significant revisions made to the PROJECT during construction) in AutoCAD electronic format, and in reduced (11"x17") paper copy format, in addition to a certification statement signed by a professional engineer, indicating that the PROJECT was completed in accordance with the plans and specifications and major change orders approved by the DEPARTMENT's Project Engineer and shown on the "as-built" plans.

Operations and Maintenance Manual. An Operations and Maintenance Manual ("O&M Manual") will be prepared in conformance with WAC 173-240-080, "Operation and Maintenance Manual," and the DEPARTMENT's GUIDELINES. The O&M Manual will be submitted to the Project Manager for review and comment at the 50 percent stage of construction. The RECIPIENT will coordinate the development of the O&M Manual with the DEPARTMENT following the initial submittal to ensure that a completed O&M Manual, approved by the DEPARTMENT, will exist at the 90 percent stage of construction. The O&M Manual will be updated as necessary following plant start-up to reflect actual operating experience.

GROWTH MANAGEMENT PLANNING

The RECIPIENT certifies by signing this AGREEMENT for a Water Pollution Control Facilities PROJECT that it is in compliance with the requirements of Chapter 36.70A RCW, "Growth Management—Planning by Selected Counties and Cities." If the status of compliance changes, either through RECIPIENT or legislative action, the RECIPIENT will notify the DEPARTMENT in writing of this change within 30 days.

INCREASED OVERSIGHT

If increased oversight is selected for this PROJECT, the RECIPIENT will submit all backup documentation with each payment request submittal. In addition, the DEPARTMENT's Project Manager will establish a schedule for additional site visits to provide technical assistance to the RECIPIENT and verify progress or payment information.

LOAN REPAYMENT

Sources of LOAN Repayment

1. Nature of RECIPIENT's Obligation. The obligation of the RECIPIENT to repay the LOAN from the sources identified below and to perform and observe all of the other agreements and obligations on its part contained herein will be absolute and unconditional, and will not be subject to diminution by setoff, counterclaim, or abatement of any kind. To secure the repayment of the LOAN from the DEPARTMENT, the RECIPIENT agrees to comply with all of the covenants, agreements, and attachments contained herein.
2. For General Obligation. This LOAN is a General Obligation Debt of the RECIPIENT.
3. For General Obligation Payable from Special Assessments. This LOAN is a General Obligation Debt of the RECIPIENT payable from special assessments to be imposed within the constitutional and statutory tax limitations provided by law without a vote of the electors of the RECIPIENT on all of the taxable property within the boundaries of the RECIPIENT.
4. For Revenue-Secured; Lien Position. This LOAN is a Revenue-Secured Debt of the RECIPIENT's Utility. This LOAN will constitute a lien and charge upon the Net Revenue junior and subordinate to the lien and charge upon such Net Revenue of any Senior Lien Obligations.

In addition, if this loan is also secured by Utility Local Improvement Districts (ULID) Assessments, this LOAN will constitute a lien upon ULID Assessments in the ULID prior and superior to any other charges whatsoever.

5. Other Sources of Repayment. The RECIPIENT may repay any portion of the LOAN from any funds legally available to it.
6. Defeasance of the LOAN; Refinancing or Additional Financing of the PROJECT. So long as the DEPARTMENT will hold this LOAN, the RECIPIENT will not be entitled to, and will not effect, an economic Defeasance of the LOAN. The RECIPIENT also will not refinance the PROJECT, including making an advance refunding of the LOAN, or obtain additional grants or loans to finance the PROJECT, without the written consent of the DEPARTMENT.

If the RECIPIENT defeases or advance refunds the LOAN or obtains additional grants or loans for the PROJECT without DEPARTMENT consent, it will be required to use the proceeds thereof immediately upon their receipt, together with other available RECIPIENT funds, to repay both of the following:

- (i) the LOAN Amount with interest
- (ii) any other obligations of the RECIPIENT to the DEPARTMENT under this AGREEMENT

unless in its sole discretion the DEPARTMENT finds that repayment from those additional sources would not be in the public interest.

Failure to repay the LOAN Amount plus interest within the time specified in the DEPARTMENT's notice to make such repayment will incur Late Charges and will be treated as a LOAN Default.

Method and Conditions on Repayments

1. Semiannual Payments. Notwithstanding any other provision of this AGREEMENT, the first semiannual payment of principal and interest on this LOAN will be paid no later than the earlier of

- (i) one year after the PROJECT Completion Date or Initiation of Operation Date
- (ii) five years from the first payment by the DEPARTMENT

Equal payments will be due every six months thereafter.

If the due date for any semiannual payment falls on a Saturday, Sunday, or designated holiday for Washington State agencies, the payment will be due on the next business day for Washington State agencies.

Payments will be mailed to:

Department of Ecology
Cashiering Unit
P.O. Box 47611
Olympia WA 98504-7611

In lieu of mailing payments, electronic fund transfers can be arranged by working with the DEPARTMENT's Financial Manager.

No change to the amount of the semiannual principal and interest payments will be made without a formal amendment to this AGREEMENT. The RECIPIENT will continue to make semiannual payments based on this AGREEMENT until the amendment is effective, at which time the RECIPIENT's payments will be made pursuant to the amended AGREEMENT.

2. Late Charges. If any amount of the Final LOAN Amount or any other amount owed to the DEPARTMENT pursuant to this AGREEMENT remains unpaid after it becomes due and payable, the DEPARTMENT may assess a Late Charge. The Late Charge will be one percent per month on the past due amount starting on the date the debt becomes past due and until it is paid in full.
3. Repayment Limitations. Repayment of the LOAN is subject to the following additional limitations, among others: those on Defeasance, refinancing and advance refunding, termination, and default and recovery of payments.
4. Prepayment of LOAN. So long as the DEPARTMENT will hold this LOAN, the RECIPIENT may prepay the entire unpaid principal balance of and accrued interest on the LOAN or any portion of the remaining unpaid principal balance of the LOAN Amount. Any prepayments on the LOAN will be applied first to any accrued interest due and then to the outstanding principal balance of the LOAN Amount. If the RECIPIENT elects to prepay the entire remaining unpaid balance and accrued interest, the RECIPIENT will first contact the DEPARTMENT's Revenue/Receivable Manager of the Fiscal Office.

LOCAL LOAN FUND PROJECTS

Local Loan Fund. The RECIPIENT will use the funds received from the DEPARTMENT under this AGREEMENT to establish and administer a loan fund.

Local Loan Fund Servicing. The RECIPIENT will be responsible for loan servicing and collecting and tracking payments, but may contract for such services through a lending institution. The RECIPIENT will officially approve or deny the loan request and will establish the interest rate and the repayment period.

Schedule. A schedule for PROJECT completion, including milestone dates for loan marketing activities, numbers of loan applications and closures, disbursements, application deadlines, etc.,

will be submitted by the RECIPIENT with each quarterly progress report.

MODIFICATIONS TO AGREEMENT

No subsequent amendments to this AGREEMENT will be of any force or effect unless reduced to a writing and signed by authorized representatives of the RECIPIENT and the DEPARTMENT, and made part hereof, except:

Insubstantial modifications may be approved in writing by the Department's Project Manager without a formal amendment. Insubstantial changes include:

- LOAN AGREEMENT Contact
- Contact for billing/invoice questions
- The DEPARTMENT'S Project Manager or Financial Manager
- Frequency and number of required submittals
- Budget allocations not affecting the total LOAN Amount
- Similar changes requested by the RECIPIENT

No amendment to this AGREEMENT will be effective until accepted or affirmed in writing by the DEPARTMENT.

In no event will any oral agreement or oral commitment be effective to amend this AGREEMENT.

PAYMENT REQUEST SUBMITTALS

Equipment Purchase

Equipment must be pre approved by the DEPARTMENT's project manager.

Requests for Payment

Instructions for submitting payment requests are found in ADMINISTRATIVE REQUIREMENTS, PART IV. A copy of this document will be furnished to the RECIPIENT.

1. Procedure. Payment requests will be submitted by the RECIPIENT to the Financial Manager of the DEPARTMENT.
2. Cost Reimbursable Basis: Payments to the RECIPIENT will be made on a reimbursable basis at least quarterly, but no more often than once per month unless allowed by the DEPARTMENT's Financial Manager. The DEPARTMENT's Financial Manager may require the RECIPIENT to submit regular payment requests to ensure efficient and timely use of funds.
3. Documentation: Each request for payment will be submitted by the RECIPIENT, along with documentation of the expenses per the DEPARTMENT's ADMINISTRATIVE REQUIREMENTS.
4. Required Forms: The RECIPIENT will submit all forms and supportive documentation to the DEPARTMENT's Financial Manager. Invoice voucher submittals will include:
 - State of Washington Invoice Voucher Form A19-1A
 - Form B2 (ECY 060-7)
 - Form C2 (ECY 060-9)
 - Form D (ECY 060-11)
5. Period of Payment. Payments will only be made for eligible costs of the PROJECT pursuant to the AGREEMENT and performed after the effective date and prior to the

expiration date of the AGREEMENT, unless those dates are specifically modified in this AGREEMENT.

6. Ineligible Costs. Payments will be made only for eligible PROJECT costs incurred and will not exceed the Estimated LOAN Amount. If any audit identifies LOAN funds which were used to support ineligible costs, such funds may be immediately due and payable to the DEPARTMENT notwithstanding any provision to the contrary herein.
7. Overhead Costs. No payment for overhead costs in excess of 25 percent of salaries and benefits of the RECIPIENT will be allowed.
8. Certification. Each payment request will constitute a certification by the RECIPIENT to the effect that all representations and warranties made in this AGREEMENT remain true as of the date of the request and that no adverse developments, affecting the financial condition of the RECIPIENT or its ability to complete the PROJECT or to repay the principal of or interest on the LOAN, have occurred since the date of this AGREEMENT. Any changes in the RECIPIENT's financial condition will be disclosed in writing to the DEPARTMENT by the RECIPIENT in its request for payment.

POST PROJECT ASSESSMENT SURVEY

The RECIPIENT agrees to submit a brief survey regarding the key PROJECT results or water quality PROJECT outcomes and the status of eventual environmental results or goals from the PROJECT.

The RECIPIENT will e-mail the survey, as an attachment, to the DEPARTMENT's Project Manager and the DEPARTMENT's Water Quality Program Performance Measures Lead. For an example of what information this survey may include see Attachment 7, Water Quality Program – Financial Management Post Project Assessment Survey.

The DEPARTMENT may conduct site interviews and inspections, and may otherwise evaluate the PROJECT.

PREVAILING WAGE

The RECIPIENT agrees to comply with the requirements as described in the Wage Rate Requirements, Section 1606, of the American Recovery and Reinvestment Act of 2009. This section pertains to the application of the Davis-Bacon wage rules to projects receiving Recovery Funds. The RECIPIENT is legally and financially responsible for compliance with the Davis-Bacon Act wage rules which state that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part pursuant to this Act will be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. The RECIPIENT is also subject to the state prevailing wage law, Chapter 39.12 RCW Prevailing Wages on Public Works.

The RECIPIENT will require all contractors and subcontractors on the PROJECT to pay wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, in compliance with state prevailing wage rate requirements, Chapter 39.12 RCW. To obtain the state prevailing wage rates, contact the Washington State Department of Labor and Industries.

PROCUREMENT

The RECIPIENT is responsible for procuring professional, personal, and other services using sound business judgment and good administrative procedures. This includes issuance of invitation of bids, requests for proposals, selection of contractors, award of sub-agreements, and other related procurement matters. The RECIPIENT will follow State procurement laws.

PUBLIC AWARENESS

All public awareness notices or announcements related to the PROJECT, financed in whole or in part by LOAN funds, should inform the public of the involvement of the DEPARTMENT and the Environmental Protection Agency if applicable.

REPORTS; DOCUMENTS

Monthly Progress and Other Reports; Invoices. The RECIPIENT will submit progress reports to the DEPARTMENT monthly or such other schedule as set forth herein. Monthly reports will be provided to the DEPARTMENT on the required electronic form (see Attachment 7 for example) and will be due the 5th day of each month following the effective date of this AGREEMENT. If the 5th day falls on a weekend or holiday, the report will be due the next business day. Payment requests will not be processed without a Progress Report.

At a minimum, all Progress Reports must contain a comparison of actual accomplishments to the objectives established for the period, the reasons for delay if established objectives were not met, analysis and explanation of any cost overruns, and any additional pertinent information specified in this agreement. Even if no progress has occurred a progress report must still be submitted.

The RECIPIENT will also report in writing to the DEPARTMENT any problems, delays, or adverse conditions which will materially affect its ability to meet PROJECT objectives or time schedules. This disclosure will be accompanied by a statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation.

The following additional reports will be required if requested by the DEPARTMENT:

1. Draft PROJECT completion reports – up to three copies
2. Draft PROJECT completion reports – up to three copies
3. Final PROJECT completion reports (of local significance) – up to seven copies
4. Final PROJECT completion reports (of statewide significance) – up to 50 copies
5. Design reports and 90 percent plans and specifications – up to two copies
6. Final plans and specifications – up to three copies
7. Draft and final One-Year Certification reports – up to two copies
8. Other documents and correspondence that require DEPARTMENT approval – up to two copies. (Once approval is given, one copy will be returned to the RECIPIENT. If the RECIPIENT needs more than one approved copy, the number of submittals should be adjusted accordingly).
9. Quarterly Progress Reports – two copies

The RECIPIENT will submit a copy of each monthly progress report to both the Financial Manager and the Project Manager of the DEPARTMENT.

REPRESENTATIONS AND WARRANTIES

The RECIPIENT represents and warrants to the DEPARTMENT as follows:

Existence; Authority.

It is a duly formed and legally existing municipal corporation or political subdivision of the state of Washington or a federally recognized Indian tribe. It has full corporate power and authority to execute, deliver, and perform all of its obligations under this AGREEMENT and to undertake the PROJECT identified herein.

Application; Material Information.

All information and materials submitted by the RECIPIENT to the DEPARTMENT in connection with its LOAN application were, when made, and are, as of the date the RECIPIENT executes this AGREEMENT, true and correct. There is no material adverse information relating to the RECIPIENT, the PROJECT, the LOAN, or this AGREEMENT known to the RECIPIENT which has not been disclosed in writing to the DEPARTMENT.

Lobbying and Litigation.

The RECIPIENT agrees to ensure that no funds awarded under this AGREEMENT will be used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. OMB Circular (A-21, A-87, or A-122), prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.

In accordance with the Byrd Anti-Lobbying Amendment, any RECIPIENT who makes a prohibited expenditure under Title 40 CRF Part 34 or fails to file the required certification or lobbying forms will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

Litigation; Authority.

No litigation is now pending or, to the RECIPIENT'S knowledge, threatened, seeking to restrain, or enjoin:

- (i) the execution of this AGREEMENT; or
- (ii) the fixing or collection of the revenues, rates, and charges or the formation of the ULID and the levy and collection of ULID Assessments therein pledged to pay the principal of and interest on the LOAN (for revenue secured lien obligations); or
- (iii) the levy and collection of the taxes pledged to pay the principal of and interest on the LOAN (for general obligation-secured loans and general obligation payable from special-assessment-secured loans); or
- (iii) in any manner questioning the proceedings and authority under which the AGREEMENT, the LOAN, or the PROJECT are authorized. Neither the corporate existence or boundaries of the RECIPIENT nor the title of its present officers to their respective offices is being contested. No authority or proceeding for the execution of this AGREEMENT has been repealed, revoked, or rescinded.

Not an Excess Indebtedness

For LOANs secured with a general obligation pledge or a general obligation pledge on special assessments: The RECIPIENT agrees that this AGREEMENT and the LOAN to be made do not create an indebtedness of the RECIPIENT in excess of any constitutional or statutory limitations.

Due Regard

For LOANs secured with a Revenue Obligation: The RECIPIENT has exercised due regard for Maintenance and Operation Expense and the debt service requirements of the Senior Lien Obligations and any other outstanding obligations pledging the Gross Revenue of the Utility, and it has not obligated itself to set aside and pay into the Loan Fund a greater amount of the Gross Revenue of the Utility than, in its judgment, will be available over and above such Maintenance

and Operation Expense and those debt service requirements.

SEWER-USER FEE ORDINANCES AND USER-CHARGE SYSTEM

Sewer-Use Ordinance or Resolution

If not already in existence, the RECIPIENT will adopt and will enforce a sewer-use ordinance or resolution to require that all new sewers and connections are designed and constructed in accordance with applicable state and local standards. Such ordinance or resolution will be submitted to the DEPARTMENT upon request by the DEPARTMENT.

User-Charge System

The RECIPIENT certifies that it has the legal authority to establish and implement a wastewater treatment user-charge system and will adopt a system of wastewater treatment user-charges to assure that each recipient of the water pollution control facility will pay its proportionate share of the cost of operation and maintenance, including replacement during the design life of the PROJECT.

In addition, the RECIPIENT will regularly evaluate the user-charge system, at least annually, to ensure the system provides adequate revenues necessary to operate and maintain the water pollution control facility, to establish a reserve to pay for replacement, and to repay the LOAN.

SIGNAGE

All site-specific projects must have a sign of sufficient size to be seen from nearby roadways acknowledging department financial assistance and left in place throughout the life of the PROJECT or facility. Department logos must be on all signs and documents. Logos will be provided as needed.

SMALL BUSINESS IN RURAL AREAS (FOR FEDERALLY FUNDED PROJECTS)

If a contract is awarded by the RECIPIENT under this AGREEMENT, the RECIPIENT is also required to utilize the following affirmative steps:

1. Place Small Business in Rural Areas (SBRAs) on solicitation lists.
2. Make sure the SBRAs are solicited whenever there are potential sources.
3. Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by SBRAs.
4. Establish delivery schedules, where requirements of work will permit, which could encourage participation by SBRAs.
5. Use the services of the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce, as appropriate.
6. Require the contractor to comply with the affirmative steps outlined above.

The negotiated "Fair Share Percentage" for the SBRAs is one-half of one percent.

There is no formal reporting requirement for SBRAs at this time; however, it is highly recommended that the RECIPIENT keep records of SBRA participation.

TERMINATION AND DEFAULT; REMEDIES

Termination and Default Events

1. For Insufficient DEPARTMENT or RECIPIENT Funds. This AGREEMENT may be terminated by the DEPARTMENT for insufficient DEPARTMENT or RECIPIENT

funds.

2. For Failure to Commence Work. This AGREEMENT may be terminated by the DEPARTMENT for failure of the RECIPIENT to commence PROJECT work.
3. Past Due Payments. The RECIPIENT will be in default of its obligations under this AGREEMENT when any LOAN repayment becomes 60 days past due.
4. Other Cause. The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance in full by the RECIPIENT of all of its obligations under this AGREEMENT. The RECIPIENT will be in default of its obligations under this AGREEMENT if, in the opinion of the DEPARTMENT, the RECIPIENT has unjustifiably failed to perform any obligation required of it by this AGREEMENT including, but not limited to, the PROJECT Schedule contained in Section IV-E.

Procedures for Termination

If this AGREEMENT is terminated prior to PROJECT completion, the DEPARTMENT will provide to the RECIPIENT a written notice of termination at least five working days prior to the effective date of termination (the "Termination Date"). The written notice of termination by the DEPARTMENT will specify the Termination Date and, when applicable, the date by which the RECIPIENT must repay any outstanding balance of the LOAN and all accrued interest (the "Termination Payment Date").

Termination and Default Remedies

1. No Further Payments. On and after the Termination Date, or in the event of a default event, the DEPARTMENT may, in its sole discretion, withdraw the LOAN and make no further payments under this AGREEMENT.
2. Repayment Demand. In response to a termination event, except in the circumstances described in Section VII-A-1, or in response to a default event, the DEPARTMENT may in its sole discretion demand that the RECIPIENT repay the outstanding balance of the LOAN Amount and all accrued interest.
3. Interest after Repayment Demand. From the time that the DEPARTMENT demands repayment of funds, amounts owed by the RECIPIENT to the DEPARTMENT will accrue additional interest at the rate of one percent per month, or fraction thereof.
4. Accelerate Repayments. In the event of a default, the DEPARTMENT may in its sole discretion declare the principal of and interest on the LOAN immediately due and payable, subject to the prior lien and charge of any outstanding Senior Lien Obligations upon the Net Revenue. Repayments not made immediately upon such acceleration will incur Late Charges.
5. Late Charges. All amounts due to the DEPARTMENT and not paid by the RECIPIENT by the Termination Payment Date or after acceleration following a default event, as applicable, will incur Late Charges.
6. Intercept State Funds. In the event of a default event and in accordance with RCW 90.50A.060, "Defaults," any state funds otherwise due to the RECIPIENT may, in the DEPARTMENT's sole discretion, be withheld and applied to the repayment of the LOAN.
7. Property to DEPARTMENT. In the event of a default event and at the option of the DEPARTMENT, any property (equipment and land) acquired under this AGREEMENT may, in the DEPARTMENT's sole discretion, become the DEPARTMENT's property. In that circumstance, the RECIPIENT's liability to

repay money will be reduced by an amount reflecting the fair value of such property.

8. Documents and Materials. If this AGREEMENT is terminated, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT will, at the option of the DEPARTMENT, become DEPARTMENT property. The RECIPIENT will be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.
9. Collection and Enforcement Actions. In the event of a default event, the state of Washington reserves the right to take any actions it deems necessary to collect the amounts due, or to become due, or to enforce the performance and observance of any obligation by the RECIPIENT, under this AGREEMENT.
10. Fees and Expenses. In any action to enforce the provisions of this AGREEMENT, reasonable fees and expenses of attorneys and other reasonable expenses (including, without limitation, the reasonably allocated costs of legal staff) will be awarded to the prevailing party as that term is defined in RCW 4.84.330, "Actions on contract or lease . . .—Waiver prohibited."
11. Damages. Notwithstanding the DEPARTMENT's exercise of any or all of the termination or default remedies provided in this AGREEMENT, the RECIPIENT will not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the state of Washington because of any breach of this AGREEMENT by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

WATER QUALITY MONITORING

Quality Assurance Project Plan (QAPP):

Prior to initiating water quality monitoring activities, the RECIPIENT must prepare a Quality Assurance Project Plan (QAPP). The QAPP must follow the DEPARTMENT's "Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies," (Ecology Publication No. 04-03-030). The RECIPIENT may also reference the "Technical Guidance for Assessing the Quality of Aquatic Environments," revised February 1994 (Ecology Publication No. 91-78).

ATTACHMENT 5: AGREEMENT DEFINITIONS

Unless otherwise provided, the following terms will have the respective meanings for all purposes of this AGREEMENT:

“Administrative Requirements” means the effective edition of DEPARTMENT's ADMINISTRATIVE REQUIREMENTS FOR ECOLOGY GRANTS AND LOANS at the signing of this LOAN.

“American Recovery and Reinvestment Act of 2009 (Recovery Fund)” was enacted on February 17, 2009. The Recovery Fund provides significant levels of funding for states to finance high priority infrastructure projects needed to ensure clean water and safe drinking water. The purpose of the Act is to:

- 1) To preserve and create jobs and promote economic recovery.
- 2) To assist those most impacted by the recession.
- 3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health.
- 4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.
- 5) To stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases

“Annual Debt Service” for any calendar year means for any applicable bonds or loans including the LOAN, all interest plus all principal due on such bonds or loans in such year.

“Average Annual Debt Service” means, at the time of calculation, the sum of the Annual Debt Service for the remaining years of the LOAN to the last scheduled maturity of the LOAN divided by the number of those years.

“Defeasement” or **“Defeasance”** means the setting aside in escrow or other special fund or account of sufficient investments and money dedicated to pay all principal of and interest on all or a portion of an obligation as it comes due.

“DEPARTMENT” means the state of Washington, Department of Ecology, or any successor agency or department.

“Estimated LOAN Amount” means the initial amount of funds loaned to the RECIPIENT.

“Final LOAN Amount” means all principal of and interest on the LOAN from the PROJECT Start Date through the PROJECT Completion Date.

“General Obligation Debt” means an obligation of the RECIPIENT secured by annual *ad valorem* taxes levied by the RECIPIENT and by the full faith, credit, and resources of the RECIPIENT.

“General Obligation Payable from Special Assessments Debt” means an obligation of the RECIPIENT secured by a valid general obligation of the Recipient payable from special assessments to be imposed within the constitutional and statutory tax limitations provided by law without a vote of the electors of the RECIPIENT on all of the taxable property within the boundaries of the RECIPIENT.

“Gross Revenue” means all of the earnings and revenues received by the RECIPIENT from the maintenance and operation of the Utility and all earnings from the investment of money on deposit in the Loan Fund, except (i) Utility Local Improvement Districts (ULID) Assessments, (ii) government grants, (iii) RECIPIENT taxes, (iv) principal proceeds of bonds and other obligations, or (v) earnings or proceeds (A) from any investments in a trust, Defeasance, or escrow fund created to Defeasance or refund Utility obligations or (B) in an obligation redemption fund or account other than the Loan Fund until commingled with other earnings and revenues of the Utility or (C) held in a special account for the purpose of paying a rebate to the United States Government under the Internal Revenue Code.

“Guidelines” means the DEPARTMENT's Funding Guidelines that correlate to the State Fiscal Year in which the PROJECT is funded.

“Initiation of Operation” is the actual date the Water Pollution Control Facilities financed with proceeds of the LOAN begin to operate for its intended purpose.

“LOAN” means the Washington State Water Pollution Control Revolving Fund Loan or Centennial Clean Water Fund (Centennial) Loan made pursuant to this AGREEMENT.

“LOAN Amount” means either an Estimated LOAN Amount or a Final LOAN Amount, as applicable.

“LOAN Fund” means the special fund of that name created by ordinance or resolution of the RECIPIENT for the repayment of the principal of and interest on the LOAN.

“Maintenance and Operation Expense” means all reasonable expenses incurred by the RECIPIENT in causing the Utility to be operated and maintained in good repair, working order, and condition including payments to other parties for the transmission, treatment, or disposal of sewage, but will not include any depreciation or RECIPIENT levied taxes or payments to the RECIPIENT in lieu of taxes.

“Net Revenue” means the Gross Revenue less the Maintenance and Operation Expense.

“Principal and Interest Account” means, for a LOAN that constitutes Revenue-Secured Debt, the account of that name created in the Loan Fund to be first used to repay the principal of and interest on the LOAN.

“PROJECT” means the PROJECT described in this AGREEMENT.

“PROJECT Completion Date” is the date specified in the AGREEMENT as that on which the Scope of Work will be fully completed.

“PROJECT Schedule” is that schedule for the PROJECT specified in the AGREEMENT.

“Reserve Account” means, for a LOAN that constitutes Revenue-Secured Debt, the account of that name created in the Loan Fund to secure the payment of the principal of and interest on the LOAN.

“Revenue-Secured Debt” means an obligation of the RECIPIENT secured by a pledge of the revenue of a utility and one not a general obligation of the RECIPIENT.

“Scope of Work” means the tasks and activities constituting the PROJECT.

“Senior Lien Obligations” means all revenue bonds and other obligations of the RECIPIENT outstanding on the date of execution of this AGREEMENT (or subsequently issued on a parity therewith, including refunding obligations) or issued after the date of execution of this AGREEMENT having a claim or lien on the Gross Revenue of the Utility prior and superior to the claim or lien of the LOAN, subject only to Maintenance and Operation Expense.

“State Water Pollution Control Revolving Fund (Revolving Fund)” means the water pollution control revolving fund established by RCW 90.50A.020.

“Termination Date” means the effective date of the DEPARTMENT’s termination of the AGREEMENT.

“Termination Payment Date” means the date on which the RECIPIENT is required to repay to the DEPARTMENT any outstanding balance of the LOAN and all accrued interest.

“Total Eligible PROJECT Cost” means the sum of all costs associated with a water quality project that have been determined to be eligible for DEPARTMENT grant or loan funding.

“Total PROJECT Cost” means the sum of all costs associated with a water quality project, including costs that are not eligible for DEPARTMENT grant or loan funding.

“ULID” means any utility local improvement district of the RECIPIENT created for the acquisition or construction of additions to and extensions and betterments of the Utility.

“ULID Assessments” means all assessments levied and collected in any ULID. Such assessments are pledged to be paid into the Loan Fund (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments will include principal installments and any interest or penalties which may be due.

“Utility” means the sewer system or the combined water and sewer system of the RECIPIENT, the Net Revenue of which is pledged to pay and secure the LOAN.

(Revised September 2007)

ATTACHMENT 6: LOAN GENERAL TERMS AND CONDITIONS
PERTAINING TO GRANT AND LOAN AGREEMENTS OF
THE DEPARTMENT OF ECOLOGY

A. RECIPIENT PERFORMANCE

All activities for which loan funds are to be used will be accomplished by the RECIPIENT and RECIPIENT's employees. The RECIPIENT shall not assign or subcontract performance to others unless specifically authorized in writing by the DEPARTMENT.

B. SUBGRANTEE/CONTRACTOR COMPLIANCE

The RECIPIENT must ensure that all subgrantees and contractors comply with the terms and conditions of this AGREEMENT.

C. THIRD-PARTY BENEFICIARY

The RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this agreement, the state of Washington is named as an express third-party beneficiary of such subcontracts with full rights as such.

D. CONTRACTING FOR SERVICES (BIDDING)

Contracts for construction, purchase of equipment, and professional architectural and engineering services will be awarded through a competitive process, if required by State law. The RECIPIENT shall retain copies of all bids received and contracts awarded, for inspection and use by the DEPARTMENT.

E. ASSIGNMENTS

No right or claim of the RECIPIENT arising under this AGREEMENT will be transferred or assigned by the RECIPIENT.

F. COMPLIANCE WITH ALL LAWS

1. The RECIPIENT shall comply fully with all applicable Federal, State, and local laws, orders, regulations, and permits.

Prior to commencement of any construction, the RECIPIENT shall secure the necessary approvals and permits required by authorities having jurisdiction over the Project, provide assurance to the DEPARTMENT that all approvals and permits have been secured, and make copies available to the DEPARTMENT upon request.

2. Discrimination. The DEPARTMENT and the RECIPIENT agree to be bound by all Federal and State laws, regulations, and policies against discrimination. The RECIPIENT further agrees to affirmatively support the program of the Office of Minority and Women's Business Enterprises to the maximum extent possible. The

RECIPIENT shall report to the DEPARTMENT the percent of loan funds available to women or minority owned businesses.

3. Wages and Job Safety. The RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
4. Industrial Insurance. The RECIPIENT certifies full compliance with all applicable state industrial insurance requirements. If the RECIPIENT fails to comply with such laws, the DEPARTMENT shall have the right to immediately terminate this AGREEMENT for cause as provided in Section K.1.

G. KICKBACKS

The RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Project to give up any part of the compensation to which he/she is otherwise entitled or receive any fee, commission, or gift in return for award of a subcontract.

H. AUDITS AND INSPECTIONS

1. The RECIPIENT shall maintain complete program and financial records relating to this AGREEMENT. Such records will clearly indicate total receipts and expenditures by fund source and task or object. All loan records will be kept in a manner which provides an audit trail for all expenditures. All records will be kept in a common file to facilitate audits and inspections.

Engineering documentation and field inspection reports of all construction work accomplished under this AGREEMENT will be maintained by the RECIPIENT.

2. All loan records will be open for audit or inspection by the DEPARTMENT or by any duly authorized audit representative of the State of Washington for a period of at least three years after the final loan repayment or any dispute resolution. If any such audits identify discrepancies in the financial records, the RECIPIENT shall provide clarification and make adjustments accordingly.
3. All work performed under this AGREEMENT and any equipment purchased will be made available to the DEPARTMENT and to any authorized state, federal, or local representative for inspection at any time during the course of this AGREEMENT and for at least three years following loan termination or dispute resolution.
4. The RECIPIENT shall meet the provisions in OMB Circular A-133 (Audits of States, Local Governments & Non Profit Organizations) or OMB Circular A-110 (Uniform Administrative Requirements for Grants & Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations) if the RECIPIENT receives federal funds in excess of \$500,000. The RECIPIENT must forward a copy of the state auditor's audit along with the RECIPIENT response and the final corrective action plan, as approved by the SAO, to the DEPARTMENT within 90 days of the date of the audit report.
5. The RECIPIENT shall provide the DEPARTMENT with a copy of the Single Audit Act audit if the RECIPIENT expends more than \$500,000 in federal Revolving Funds in a fiscal year. The RECIPIENT shall submit this audit report within 9 months of the end of the audit period.

6. The RECIPIENT shall inform the DEPARTMENT of findings and recommendations pertaining to the Revolving Fund contained in the Single Audit Act audits or any other audit conducted by the RECIPIENT, whether or not the \$500,000 federal threshold was reached.

I. PERFORMANCE REPORTING

The RECIPIENT shall submit progress reports to the DEPARTMENT quarterly or such other schedule as set forth in the Scope of Work. The RECIPIENT shall also report in writing to the DEPARTMENT any problems, delays or adverse conditions which will materially affect their ability to meet project objectives or time schedules. This disclosure shall be accompanied by a statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation. Payments will be withheld if required progress reports are not submitted.

J. COMPENSATION

1. Method of Compensation. Payment will normally be made on a reimbursable basis as specified in the loan AGREEMENT and no more often than once per month. Each request for payment will be submitted by the RECIPIENT on State voucher request forms provided by the DEPARTMENT, along with documentation of the expenses. Payments will be made for each task/phase of the project, or portion thereof, as set out in the Scope of Work when completed by the RECIPIENT and certified as satisfactory by the Financial Manager.

The payment request form and supportive documents must itemize all allowable costs by major elements, as described in the Scope of Work. Instructions for submitting the payment requests are found in "Administrative Requirements for Ecology Grants and Loans," part IV, published by the DEPARTMENT. A copy of this document will be furnished to the RECIPIENT. When payment requests are approved by the DEPARTMENT, payments will be made to the mutually agreed upon designee.

Payment requests will be submitted to the DEPARTMENT and directed to the Financial Manager assigned to administer this AGREEMENT .

2. Budget Deviation. Deviations in budget amounts are not allowed without written amendment(s) to this AGREEMENT. Payment requests will be disallowed when the RECIPIENT's request for reimbursement exceeds the State maximum share amount for that element, as described in the Scope of Work.
3. Period of Compensation. Payments will only be made for action of the RECIPIENT pursuant to the loan AGREEMENT and performed after the effective date and prior to the expiration date of this AGREEMENT, unless those dates are specifically modified in writing as provided herein.
4. Final Request(s) for Payment. The RECIPIENT must submit final requests for compensation within 45 days after the expiration date of this AGREEMENT and within 15 days after the end of a fiscal biennium. Failure to comply may result in delayed reimbursement.
5. Performance Guarantee. The DEPARTMENT may withhold an amount not to exceed ten percent of each reimbursement payment as security for the RECIPIENT's

performance and a financial bond. Monies withheld by the DEPARTMENT may be paid to the RECIPIENT when the project(s) described herein, or a portion thereof, have been completed if, in the DEPARTMENT's sole discretion, such payment is reasonable and approved according to this AGREEMENT and, as appropriate, upon completion of an audit as specified under section J.6.

6. Unauthorized Expenditures. All payments to the RECIPIENT will be subject to final audit by the DEPARTMENT and any unauthorized expenditure(s) charged to this loan will be refunded to the DEPARTMENT by the RECIPIENT.
7. Mileage and Per Diem. If mileage and per diem are paid to the employees of the RECIPIENT or other public entities, it shall not exceed the amount allowed under Washington state law for state employees.

K. TERMINATION

1. For Cause. The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this AGREEMENT. In the event the RECIPIENT unjustifiably fails, in the opinion of the DEPARTMENT, to perform any obligation required of it by this AGREEMENT, the DEPARTMENT may refuse to pay any further funds and terminate this AGREEMENT by giving written notice of termination.

A written notice of termination shall be given at least five working days prior to the effective date of termination. In that event, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT under this AGREEMENT, at the option of the DEPARTMENT, will become Department property and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Despite the above, the RECIPIENT shall not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the State of Washington because of any breach of AGREEMENT by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

2. Insufficient Funds. The obligation of the DEPARTMENT to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. When this AGREEMENT crosses over state fiscal years the obligation of the DEPARTMENT is contingent upon the appropriation of funds during the next fiscal year. The failure to appropriate or allot such funds will be good cause to terminate this AGREEMENT, as provided in paragraph K.1 above.

When this AGREEMENT crosses the RECIPIENT's fiscal year, the obligation of the RECIPIENT to continue or complete the project described herein will be contingent upon appropriation of funds by the RECIPIENT's governing body; provided, however, that nothing contained herein will preclude the DEPARTMENT from demanding repayment of all funds paid to the RECIPIENT in accordance with Section O.

3. Failure to Commence Work. In the event the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this AGREEMENT, or by any date mutually agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this AGREEMENT.

L. WAIVER

Waiver of any RECIPIENT default is not a waiver of any subsequent default. Waiver of a breach of any provision of this AGREEMENT is not a waiver of any subsequent breach and will not be construed as a modification of the terms of this AGREEMENT, unless stated as such in writing by the authorized representative of the DEPARTMENT.

M. PROPERTY RIGHTS

1. Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property, the RECIPIENT may copyright or patent the same, but the DEPARTMENT retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property and to authorize others to use the same for federal, state, or local government purposes.

Where federal funding is involved, the federal government may have a proprietary interest in patent rights to any inventions that developed by the RECIPIENT as provided in 35 U.S.C. 200-212.

2. Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish information of the DEPARTMENT; present papers, lectures, or seminars involving information supplied by the DEPARTMENT; use logos, reports, maps or other data, in printed reports, signs, brochures, pamphlets, etc., appropriate credit will be given to the DEPARTMENT.
3. Tangible Property Rights. The DEPARTMENT's current edition of "Administrative Requirements for Ecology Grants and Loans," Part V, will control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by the DEPARTMENT in the absence of state or federal statute(s), regulation(s), or policy(s) to the contrary or upon specific instructions with respect thereto in the Scope of Work.
4. Personal Property Furnished by the DEPARTMENT. When the DEPARTMENT provides personal property directly to the RECIPIENT for use in performance of the project, it will be returned to the DEPARTMENT prior to final payment by the DEPARTMENT. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, the DEPARTMENT shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.
5. Acquisition Projects. The following provisions will apply if the project covered by this AGREEMENT includes funds for the acquisition of land or facilities:
 - a. Prior to disbursement of funds provided for in this AGREEMENT, the RECIPIENT shall establish that the cost of land and facilities is fair and reasonable.

- b. The RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this AGREEMENT. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this AGREEMENT.
6. Conversions. Regardless of the contract termination date shown on the cover sheet, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed pursuant to this AGREEMENT to uses other than those for which assistance was originally approved without prior written approval of the DEPARTMENT. Such approval may be conditioned upon payment to the DEPARTMENT of that portion of the proceeds of the sale, lease or other conversion or encumbrance which monies granted pursuant to this AGREEMENT bear to the total acquisition, purchase, or construction costs of such property.

N. RECYCLED/RECYCLABLE PAPER

All documents and materials published under this AGREEMENT will be produced on recycled paper containing the highest level of post consumer and recycled content that is available. At a minimum, paper with ten percent post consumer content and 50 percent recycled content will be used. Whenever possible, all materials will be published on paper that is unbleached or has not been treated with chlorine gas or hypochlorite.

As appropriate, all materials will all be published on both sides of the paper and will minimize the use of glossy or colored paper and other items which reduce the recyclability of the document.

O. RECOVERY OF PAYMENTS TO RECIPIENT

The right of the RECIPIENT to retain reimbursement monies paid to it is contingent upon satisfactory performance of this AGREEMENT, including the satisfactory completion of the project described in the Scope of Work. In the event the RECIPIENT fails, for any reason, to perform obligations required of it by this AGREEMENT, the RECIPIENT may, at the DEPARTMENT's sole discretion, be required to repay to the DEPARTMENT all loan funds disbursed to the RECIPIENT for those parts of the project that are rendered worthless, in the opinion of the DEPARTMENT, by such failure to perform.

Interest will accrue at the rate of 12 percent per annum from the time the DEPARTMENT demands repayment of funds. If payments have been discontinued by the DEPARTMENT due to insufficient funds, as in Section K.2 above, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination. Any property acquired under this AGREEMENT, at the option of the DEPARTMENT, may become the DEPARTMENT's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

P. PROJECT APPROVAL

The extent and character of all work and services to be performed under this AGREEMENT by the RECIPIENT will be subject to the review and approval of the DEPARTMENT through the Project

Manager or other designated official to whom the RECIPIENT shall report and be responsible. In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the Project Manager or other designated official as to the extent and character of the work to be done will govern. The RECIPIENT shall have the right to appeal decisions as provided for below.

Q. DISPUTES

Except as otherwise provided in this AGREEMENT, any dispute concerning a question of fact arising under this AGREEMENT which is not disposed of in writing will be decided by the Project Manager or other designated official who shall provide a written statement of decision to the RECIPIENT. The decision of the Project Manager or other designated official will be final and conclusive unless, within 30 days from the date of receipt of such statement, the RECIPIENT mails or otherwise furnishes to the Director of the DEPARTMENT a written appeal.

In connection with appeal of any proceeding under this clause, the RECIPIENT shall have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Director or duly authorized representative for the determination of such appeals will be final and conclusive. Appeals from the Director's determination will be brought in the Superior Court of Thurston County. Review of the decision of the Director will not be sought before either the Pollution Control Hearings Board or the Shoreline Hearings Board. Pending final decision of dispute, the RECIPIENT shall proceed diligently with the performance of this AGREEMENT and in accordance with the decision rendered.

R. CONFLICT OF INTEREST

No officer, member, agent, or employee of either party to this AGREEMENT who exercises any function or responsibility in the review, approval, or carrying out of this AGREEMENT, shall participate in any decision which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested; nor shall he/she have any personal or pecuniary interest, direct or indirect, in this AGREEMENT or the proceeds thereof.

S. INDEMNIFICATION

1. The DEPARTMENT shall in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.
2. To the extent that the Constitution and laws of the State of Washington permit, each party shall indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this AGREEMENT.

T. GOVERNING LAW

This AGREEMENT will be governed by the laws of the State of Washington.

U. SEVERABILITY

If any provision of this AGREEMENT or any provision of any document incorporated by reference will be held invalid, such invalidity will not affect the other provisions of this AGREEMENT which can be given effect without the invalid provision, and to this end the provisions of this AGREEMENT are declared to be severable.

V. PRECEDENCE

In the event of inconsistency in this AGREEMENT, unless otherwise provided herein, the inconsistency will be resolved by giving precedence in the following order: (a) applicable Federal and State statutes and regulations; (b) Scope of Work; (c) Special Terms and Conditions; (d) any terms incorporated herein by reference, including the "Administrative Requirements for Ecology Grants and Loans"; and (e) the General Terms and Conditions.

(Revised 02/18/09)

**ATTACHMENT 7: WATER QUALITY PROGRAM MONTHLY PROGRESS REPORT FORM
AND FINANCIAL MANAGEMENT POST PROJECT ASSESSMENT SURVEY**

These forms are being included in this AGREEMENT as examples of the type of forms the RECIPIENT will be required to complete and is intended to give the RECIPIENT an idea of what information will be required. These forms are subject to change at any time. For the most recent forms contact the DEPARTMENT's Project Manager or Financial Manager.

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**WASHINGTON STATE DEPARTMENT OF ECOLOGY
WATER QUALITY PROGRAM - FINANCIAL MANAGEMENT
POST PROJECT ASSESSMENT SURVEY**

Recipient Name: Agreement Number:	Project Name:
Contact Information (Please revise, as needed): Contact Name: Contact Phone Number: Contact E-mail Address:	Key Dates: Funding Award: Project Completion: Survey Completed:
Financing: Total Project Cost: Total Eligible Project Cost: Ecology Loan Amount:	Project Description:
“Water Quality Problems” stated in the funding application as potentially being addressed by the project:	
“Project Results or Outcomes” and “Eventual Environmental Result(s) or Goal(s)” stated in the funding agreement that were anticipated to be achieved by the project:	

TO BE COMPLETED BY THE STAFF OF THE RECIPIENT:

1. Describe the *most critical* specific Water Quality Project Outcome(s) actually achieved by the Project:

2. Describe how the Water Quality Problem(s) noted above were addressed during or since completion of the Project:

3. Describe subsequent work and ongoing efforts needed to achieve the “Eventual Environmental Result(s) or Goal(s)” by you and others in the area:

4. Identify current conditions via the quantifiable measures below (as applicable):

Follow up from funding Application information:

- a) The number of system wide users: _____
- b) System Design Capacity (in MGD): _____
- c) Effluent Permit Violations over the last 12 months: _____
- d) Maximum Monthly Flow over the last 12 months (in MGD): _____
- e) Effluent Discharge of BOD (in lbs/day): _____
- f) Effluent Discharge of TSS (in lbs/day): _____
- g) Effluent Discharge of Ammonia (in lbs/day): _____
- h) Effluent Discharge of Total Nitrogen (in lbs/day): _____
- i) Effluent Discharge of Phosphorus (in lbs/day): _____
- j) Effluent Discharge of Fecal Coliform (in CFU/100 ml): _____

Dedicated post project information:

- a) Septic systems eliminated by the project (# of systems): _____
- b) Acres of shellfish beds opened by the project (acres): _____
- c) CSO discharge reduction (Annual volume reduction): _____
- d) I/I reduction (GPD eliminated): _____
- e) Did the project address more stringent permit limits (Yes/No): _____
- f) Did the Project address a public health emergency (Yes/No): _____
- g) Project produced reclaimed water: (Gallons reused annually): _____

5. Provide documentation (including electronic attachments or links to digital color pictures) reflecting continued maintenance and effectiveness of the Project at the time of this survey:

(Revised 6/9/06)

WATER QUALITY PROGRAM - MONTHLY PROGRESS REPORT FORM

Project Identification Information

6. Agreement Number:
7. Recipient Name:
8. Project Name:
9. Recipient DUNS Number:
10. Report Date:
11. Reporting Period:

Job Reporting Information

Job reporting data includes all jobs created or sustained by this contract, and includes employee positions for the construction contractor, engineering consultants, construction management, employees of the RECIPIENT, and any other employee positions that are funded in part by this loan agreement:

1. Number of new employee positions associated with this agreement for this reporting period:
2. Cumulative number of employee positions associated with this agreement from 2/17/09 to the end of this reporting period:
3. Total hours worked under this contract by all employee positions associated with this agreement for this reporting period:
4. Cumulative number of hours worked under this contract by all employee positions associated with this agreement from 2/17/09 to the end of this reporting period:
5. Total wages paid under this contract for all employee positions associated with this agreement for this reporting period:
6. Cumulative wages paid under this contract for all employee positions associated with this agreement from 2/17/09 to the end of this reporting period:
7. For monthly reports due in January, April, July, and September, a summary of the job titles and number of employee positions for each associated with this agreement for the preceding quarter:

ATTACHMENT 8: ESTIMATED LOAN REPAYMENT SCHEDULE



ESTIMATED LOAN REPAYMENT SCHEDULE

ATTACHMENT 8

Loan Number		Loan Amount	\$697,309.00
Recipient Name	Seattle Public Utilities	Term of Loan	19 Payments
Amortization Method	Compound-365 D/Y	Annual Int. Rate	2.900 %
Project Completion Date:	12/31/2013	Interest Compounded	Monthly
Initiation of Operations	12/31/2010	Loan Date	12/31/2010

Loan Number		Department of Ecology
Recipient Name	Seattle Public Utilities	Date Created 01/11/2010

Payment #	Due Date	Payment Amount	Interest	Principal	Balance
1	12/31/2011	\$42,894.98	\$20,350.53	\$22,544.45	\$674,764.55
SubTotal	2011	\$42,894.98	\$20,350.53	\$22,544.45	
2	06/30/2012	\$42,894.98	\$9,843.39	\$33,051.59	\$641,712.96
3	12/31/2012	\$42,894.98	\$9,361.24	\$33,533.74	\$608,179.22
SubTotal	2012	\$85,789.96	\$19,204.63	\$66,585.33	
4	06/30/2013	\$42,894.98	\$8,872.05	\$34,022.93	\$574,156.29
5	12/31/2013	\$42,894.98	\$8,375.73	\$34,519.25	\$539,637.04
SubTotal	2013	\$85,789.96	\$17,247.78	\$68,542.18	
6	06/30/2014	\$42,894.98	\$7,872.16	\$35,022.82	\$504,614.22
7	12/31/2014	\$42,894.98	\$7,361.26	\$35,533.72	\$469,080.50
SubTotal	2014	\$85,789.96	\$15,233.42	\$70,556.54	
8	06/30/2015	\$42,894.98	\$6,842.89	\$36,052.09	\$433,028.41
9	12/31/2015	\$42,894.98	\$6,316.97	\$36,578.01	\$396,450.40
SubTotal	2015	\$85,789.96	\$13,159.86	\$72,630.10	
10	06/30/2016	\$42,894.98	\$5,783.37	\$37,111.61	\$359,338.79
11	12/31/2016	\$42,894.98	\$5,241.99	\$37,652.99	\$321,685.80
SubTotal	2016	\$85,789.96	\$11,025.36	\$74,764.60	
12	06/30/2017	\$42,894.98	\$4,692.72	\$38,202.26	\$283,483.54
13	12/31/2017	\$42,894.98	\$4,135.43	\$38,759.55	\$244,723.99
SubTotal	2017	\$85,789.96	\$8,828.15	\$76,961.81	
14	06/30/2018	\$42,894.98	\$3,570.01	\$39,324.97	\$205,399.02
15	12/31/2018	\$42,894.98	\$2,996.34	\$39,898.64	\$165,500.38

Loan Number

Department of Ecology

Recipient Name

Seattle Public Utilities

Date Created

01/11/2010

Payment #	Due Date	Payment Amount	Interest	Principal	Balance
SubTotal	2018	\$85,789.96	\$6,566.35	\$79,223.61	
16	06/30/2019	\$42,894.98	\$2,414.30	\$40,480.68	\$125,019.70
17	12/31/2019	\$42,894.98	\$1,823.77	\$41,071.21	\$83,948.49
SubTotal	2019	\$85,789.96	\$4,238.07	\$81,551.89	
18	06/30/2020	\$42,894.98	\$1,224.63	\$41,670.35	\$42,278.14
19	12/31/2020	\$42,894.89	\$616.75	\$42,278.14	\$0.00
SubTotal	2020	\$85,789.87	\$1,841.38	\$83,948.49	
Grand Total		\$815,004.53	\$117,695.53	\$697,309.00	